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A water cannon led a procession of police vehicles in Gdansk on Friday, when riot police clashed with tens of thousands

of Solidarity supporters in Gdansk, Warsaw, Krakow and Wroclaw. The photograph was made from a television picture.

# Polish Archbishop, on Eve of Planned Protests, Asks Dialogue Between Authorities, Dissidents

WARSAW - On the eve of a crucial test of strength for underground activists of the suspended labor movement Solidarity, Po-land's Roman Catholic primate, Archbishop Jozef Glemp, appealed on Sunday for a dialogue between Poland's martial law au-

thorities and dissidents. Archbishop Glemp, speaking to more than 120,000 pilgrims at Jasna Gora monastery in the shrine city of Czestochowa, said the dialogue must eliminate what he termed "hatred, which sometimes can be invisible but still exists when people keep silent and grind

Meanwhile, as uniformed authorities watched. Poles calmly placed flowers and sang hymns Sunday at memorials to previous protests in Warsaw and Gdansk, where earlier demonstrators clashed with police on Friday in the most serious civil disturbances in more than two months.

Archbishop Glemp also furthered expectations that Pope John Paul II, who is Polish, will visit the country next year.

He said. "I think I shall shortly be able to announce for you the timing of the visit. We may not have had much joy these days, but we have great hopes for successful developments. To this, we pin our hopes for the pope's arrival next

The pope postponed a planned visit to Poland for ceremonies this month marking the 600th anniversary of the installation of the shrine of the Black Madonna at Czestochowa.

Monday marks the second anniversary of the formation in Gdansk of the interfactory strike committee, a decisive and widely remembered development in the emergence of Solidarity, which claimed 10 million members before the imposition of martial law eight months ago.

The union's leaders still at large have urged peaceful protests to mark the event and have proposed that protests culminate with nationwide demonstrations Aug. 31, the second anniversary of Solidar-

The official news agency PAP said 200 people were arrested in

Friday's disturbances in Gdansk, cal gamblers" and "adventurist Sunday had swept away the cross, Warsaw, Krakow and Wrocław, groups." and two persons in Warsaw and two in Gdansk were slightly in-

PAP said the demonstrations were "an effort to feed the fire" of unrest and noted they occurred as authorities were easing martial law

The regime of Gen. Wojciech Jaruzelski freed 1,227 interned dissidents in a modest slackening of martial law restrictions last month.

The hard-line army newspaper Zolnierz Wolnosci blamed Friday's clashes on disruptive "politi-

But a Warsaw television commentator said the demonstrations were minor and represented "another defeat for the political un-

Cross Restored

Scores of Warsaw residents gathered Sunday at the central Victory Square to restore the floral cross that has served as a memorial to the late Cardinal Stefan Wyszynski and a principal focus of quiet dissent to martial law.

Authorities, who before dawn

# Terms for PLO To Quit Beirut

Compiled by Our Staff From Dispatches
JERUSALEM — The Israeli
overnment softened its conditions Sunday on the withdrawal of Pal-

stinday on the withdrawal of Palestinian guerrillas from besieged Beirut and said an agreement could be completed this week.

The announcement by Cabinet Secretary Dan Meridor came after a three-hour Cabinet session and after Philip C. Habib, the special U.S. envoy, had met with Israeli officials. officials.

A senior government official indicated that Israel had made concessions on two questions — its de-mand for a full list of the guerrillas and the role of a proposed multi-national force to take over Palestinian positions in West Beirut.

The official said that "the one thing we will not give up" was the return of Aharon Ahiaz, a pilot taken prisoner by the PLO, and the bodies of nine missing soldiers, four of whom disappeared in Israel's invasion of southern Lebanon

Mr. Habib arrived here Saturday night from Beirut. As the envoy left Jerusalem to return to the Lebanese capital, he said, "I have pretty much done what I had to

Mr. Habib will present Israel's new conditions to the Palestine Liberation Organization in the next 24 hours, said the Israeli offi-

cial, who requested anonymity.
On Sunday, prior to the American envoy's arrival in Beirut, Palestinian officials reacted cautiously to the reports that Israel had softened its conditions on the PLO withdrawal.

"We'll wait and see what the document says — it's probably got some nasty fine print," said a PLO official who did not want to be

Mr. Meridor said, "There is a possibility, but no certainty, that within the week an agreement will be reached for the departure of all the terrorists from Beirut and Leb-

There was some speciation in Gdansk that police raids last week on underground Solidarity offices, where leaflets and printing equip-Lebanese Forcign Ministry sources were more optimistic, saying a PLO-Lebanese joint military committee had set Saturday as a

target date to start the withdrawal and had informed the three nations who have agreed to supply troops for the peacekeeping force
the United States, France and Italy - to prepare for the opera-

The senior Israeli official said Israel's primary concern now is whether it will be able to ascertain whether the PLO actually is leav-ing Beirut. He claimed Israel has information that the PLO wanted to leave several thousand guerrillas behind as "units in civilian clothes" and take out teen-agers from PLO youth groups in their

Former Premier Saeb Salam, a key intermediary in the Habib-PLO negotiations, said in Beirut that the departing guerrillas would be checked by Lebanese authorities in conjunction with the pro-posed multinational peacekeeping

Mr. Salam said the PLO was re-signed to the fact that any Palestinian fighters who stayed behind would be under Lebanese sovereignty. He said the 1969 Cairo
agreement between the PLO and
the Lebanese government, which
gave the guerrillas special privileges, has been scrapped.

Mr. Salam said that the PLO "is
fully represent to work through"

fully prepared to work through" the international Red Cross in connection with Israel's demand

for the return of its captured pilot. A major dispute in the talks has been how many guerrillas are in Beirut, the PLO's power base for the 12 years since it was driven from Jordan by King Hussein

Previous Israeli and PLO estimates varied widely, but Israeli officials said the number now estimated by Israel and that on a list given by the PLO to Mr. Habib appeared to match within a few

The PLO transmitted to Mr. Habib a list of 7,100 evacuees on Friday. The list was broken down to include the numbers going to have agreed to receive them. The countries are Syria, Iraq, Jordan, (Continued on Page 2, Col. 4)



Residents of West Beirut besieged a truck bringing fresh vegetables and other food Sunday. The scarcity of fresh produce in the Moslem sector of the Lebanese capital has driven up prices.

# European Voices Raised Against Israel's Siege

By Steven Rattner New York Times Service

PARIS - West European nations, unhappy about the Israeli invasion of Lebanon almost from the start, have grown increasingly outspoken in their opposition as the military operation has contin-

In a weekend newspaper inter-view, Chancellor Helmut Schmidt of West Germany suggested that Israel had killed civilians unnecessarily in the course of its bombardment of Beirut.

Mr. Schmidt, speaking to the daily newspaper Die Welt, said, "Here people are being killed indiscriminately — women and men who have nothing to do with the war, who bear no responsibility for

He added that "settling conflicting motives and interests with bombs and missiles cannot be re-conciled with human dignity."

On Wednesday, a minister of state at the British Foreign Office. Douglas Hurd, summoned the Israeli chargé d'affaires, Yoav Biran, to express Britain's concern over the continued bombardment by Israeli forces.

In a radio interview Wednesday night, Mr. Hurd said that the Israelis were neglecting the effect on human beings of what they were

doing.
"There can be no doubt that thousands of innocent civilians. Lebanese and Palestinian have been killed or wounded in Lebanon in pursuit of objectives which are very far from clear and probably not going to be realized," he

To some extent, European leaders, who have been concerned about the lack of forceful U.S. action, were encouraged by the tougher line taken toward Israel week by President Reagan But the Europeans are also concerned that the Reagan administration still rejects the principle of self-determination for the Pales-

## U.S. Policy Questioned

"The Americans do need to look again at their whole Middle East policy and in particular at the way in which we can solve the Palestinian question, because until that is solved there will be further out-breaks of this kind and Israel will not have security," Mr. Hurd said. France maintained a silence on

Friday, as part of the effort by the government of President François Mitterrand to ease tensions after an attack last Monday on a Jewish restaurant in Paris in which six persons were killed and 22 wound-

Prime Minister Menachem Begin of Israel subsequently suggested that Mr. Mitterrand had, through a critical statement last month about the Israeli invasion, helped create the atmosphere that

encouraged attacks on Jews.
But French officials have made it clear that they are upset about both the continued Israeli offensive and the charges by Mr. Begin, who also said France was a land of rampant anti-Semitism and was acting like an enemy of Israel.

Shimon Peres, chairman of Israel's opposition Labor Party, de-fended Mr. Mitterrand in New York on Friday, saying he was convinced the president was a friend of Israel. He also urged that

(Continued on Page 2, Col. 1)

president, during the weekend effort to complete a House-Senate agreement on a tax increase.

egainst them. The original Senate-passed version would have raised \$98.9 billion over the next three years. The compromise version was slightly smaller - \$98.3 billion - but still

House provisions to balance gets of the 1983 budget resolution. Rep. Dan Rostenkowski, the Illi-The bill should reach the House early this week. Lining up congressional votes for the bill, however,

appeared to be moving along very "It will pretty much depend on enough to satisfy the revenue tar- the attitude of each member," said

nois Democrat who is chairman of the House Ways and Means Committee. "That is how volatile this thing is. I don't see the enthusiasm for soliciting the vote on the floor. so it is going to have to be a per-sonal thing for the president."

# INSIDE

- The Chinese press called revised Japanese histories of past atrocities in China a threat to the Chinese people, and said a retrogression in Chinese-Japanese relations is possible. Commentaries also urged a joint Peking-Tokyo effort to stop a "revival of Japanese militarism".
- Argentina's military leadership ordered the preparation of detailed plans for invading the Falkland Islands more than two months before the incidents in the South Atlantic that Argentina later said had provoked the conflict with Britain, according to Argentine military sources. Page 3.
- Senior Mexican officials are upset at what they say is an orchestrated effort by the Reagan administration to exploit the country's economic crisis and promote press criti-Occidental Petroleum has
- offered to pay about \$4 billion for Cities Service, which has been looking for a merger partner since Gulf Oil withdrew its bid. Page 7

Reagan's Plan to Increase Taxes **Approved by Senate-House Panel** 

WASHINGTON - A U.S. Senate-House conference committee reached agreement Sunday on a bill that would increase taxes by \$98.3 billion over the next three

Before the final vote at 2 a.m., the panel agreed: To repeal within three years a

1981 tax-leasing provision that en-couraged unprofitable companies to sell some of their tax credits to

 To double the 8-cent-a-pack cigarette tax for the next three • To provide up to 10 addi-

tional weeks of unemployment compensation for jobless workers. The bill now goes to the House and Senate for final action, where the outcome is uncertain because conservative Republicans view it as a repudiation of President Reagan's economic philosophy.
Congress is scheduled to go into recess on Thursday.

Mr. Reagan will make a nationally broadcast appeal Monday night for public support of the measure, which he believes to be a major part of his plan for revitalizing the economy. In addition, he invited at least 30 Republican legislators to visit him Sunday in an effort to solidify votes for the bill.

The Senate-House panel strug-gled for 10 days before agreeing to the tax package, the largest reve-

nue-raising measure in peacetime. Most of the bill's more than 100 sections are aimed at stiffer taxpaver compliance rules and reversing some of the huge tax cuts given to businesses last year. Other provisions will mean higher taxes on telephone services and airline tickets and fewer tax deductions for medical expenses.

## Spending Cuts

The bill also includes \$15.2 billion in spending cuts, chiefly for medical care for the elderly and

During the first 18-hour leg of the weekend marathon that spilled into Sunday morning, the committee eliminated a provision that would have cut deductions for business meals by half.

Instead, to make up for the lost revenue, the panel substituted stiffer reporting requirements on tips. The Internal Revenue Service estimates 84 percent of tips are never reported as income.

In other action, the committee:

 Agreed to exempt from the new 10-percent withholding on interest and dividends any account that earns less than \$150 a year. It

 Rejected a Senate amendment that would have reduced from 12 months to six months the minimum time an asset must be held before profits from its sale qualify for special capital gains rates.

On Saturday, demonstrators un-

furled a Solidarity banner in Victo-

Leaflets disparaging Socialism and the martial-law regime were seen Sunday on shop windows in Gdansk, where residents and visi-

tors, as they had on Saturday, qui-etly placed flowers at the monu-

ment were found, could hamper ef-

forts to publicize protests Monday.

ment to fallen Polish workers.

· Voted to retain a provision allowing a person to avoid tax on up to \$750 in public-utility stock dividends that are reinvested in the

• Toughened the minimum tax on corporations by reducing by 15 percent the value of certain deductions, such as the oil depletion al-

 Approved restrictions on use of tax-exempt industrial development bonds.

 Changed taxation of insurance companies, which will cost those firms more than \$6 billion over the next three years.

 Reduced some of the tax benefits that high-earning profession-als now gain from tax-deferred pension plans.

The bill would wipe out more than one-third of the tax cut voted last year for businesses.

Committe members said progress on the bill was slow - negotiations opened on Aug. 3 — because they were in the unusual situation of dealing mainly with proposals from the Senate, with no



President Reagan discussed strategy with Sen. Robert J. Dole, center, the Kansas Republican who is chairman of the Senate Finance Committee, and Lyn Nofziger, a special aide to the

# Pentagon Plan Specifies Methods of Winning Protracted Nuclear War

By Robert Scheer Los Angeles Times Service

WASHINGTON — On the orders of the
Reagan administration, the Pentagon has completed a strategic master plan to give the United States the capability of winning a protracted nu-clear war with the Soviet Union.

The document was delivered to the National Security Council in the first week of August and is awaiting final presidential approval. The directive is part of a document that was drawn up in the fall of 1981 to supersede Presidential Directive 59, which was approved in the last six months of the Carter administration.

Sources familiar with both highly classified documents report that President Reagan's doctrine has much more of a lighting stance than President Jimmy Carter's in that it specifically states the goal of winning a "protracted" nuclear

## Up to Six Months

According to one member of the Reagan administration, the plan contemplates nuclear warfare of up to six months.

The idea that nuclear war between the superpowers can be limited or stretched out over severil months — let alone won — is controversial in both military and political circles.

Air Force Gen. David C. Jones, who served as chairman of the Joint Chiefs of Staff under both Mr Corner and Mr Rengan married that trong and The New York Time and contend

ar war would be throwing money into a "bottom-less pit." In his parting statement upon retiring in June, Gen. Jones said, "I see great difficulty in keeping any kind of nuclear exchange between the Soviet Union and the U.S. from escalating."

During the 1980 presidential primary campaign, Mr. Carter's Presidential Directive 59 was criticized by Sen. Edward M. Kennedy, Democrat of Massachusetts, and others for assuming that nuclear wars can be fought and survived like conventional wars of the past.

Mr. Carter's secretary of defense, Harold Brown, asserted that Presidential Directive 59 was intended to deter any expectations the Soviet Union might have of winning a nuclear war, but did not endorse the idea that nuclear war could be limited or that meaningful victory was possible.

Mr. Carter's directive also did not contain any specific means of implementation, but Mr. Reagan's, the sources said, specifically requires

the Pentagon to draw up a plan for turning the policy declaration into military reality. The Pentagon's strategic master plan was to have been sent to the National Security Council for approval in June, but it was delayed because of the public disclosure of another secret Defense Department document, the annual defense gui-

dance statement Portions of that statement, in which the Pentagon projected its needs through 1988, were leaked

The newspaper reported that the annual guidance plan assumed that "protracted nuclear war is possible" and that "American nuclear forces must prevail and be able to force the Soviet Union to seek earliest determination of hostilities on terms favorable to the United States."

Administration insiders report that the new strategic master plan is more detailed in its advocacy of nuclear warfare than the annual Defense Department guideline. More significantly, it uld carry the imprimatur of the president and his National Security Council, whereas the annual guidance plan is an internal Pentagon docu-

## 'Growing Support'

The new strategic master plan reportedly aims at providing a "how to" treatment of the subject. For example, the new plan devotes considerable space to destroying enemy political and command centers while preserving U.S. centers.

The Reagan administration has budgeted \$18 billion for the purpose of securing U.S. military command, control and communication, or C-3 as it is known to planners. C-3 refers to the ability of a nation's leaders to maintain communication with the troops in control of the nuclear arsenal. The implications of the shift in strategic think-

ing about nuclear war were spelled out by Gen. James W. Stansberry, commander of the Air Force Electronics Systems Division, who said at so Air Force conference. "In previous years the

get off a launch of U.S. strategic weapons in response to a first strike before damage was unacceptable. The idea that there was no way to win a nuclear war exchange sort of invalidated the need. for anything survivable. There is a shift now in nuclear weapons planning, and a proper element in nuclear deterrence is that we be able to Reep on fighting."

The notion that nuclear wars can be fought on a limited basis and be survived has had growing support in the past decade. Increasingly accurate missile technology and sophisticated means of communications have produced the confidence in some quarters that nuclear was need not be fought as one spasmodio episode with little but radioactive rubble to show for the effort. In the fighters' view, which the National Secur-

ity Council appears to accept, a nuclear war might be fought over a period of several months with selective strikes at primarily military targets.

At the end, they believe, one side could emerge victorious, with enough of its resources and population to begin again. It is Madness

One leading advocate of this viewpoint, Colin Gray, has recently been appointed by Mr. Reagan to the advisory board for the Arms Control and Disarmament Agency and as an adviser to the State Department. In a 1980 article in the marazine Foreign Afargued, "Washington should identify war aims that in the last resort would contemplate the destruction of Soviet political authority and the emergence of a postwar world order compatible with Western values.

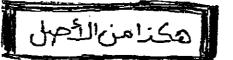
They specified that 20 million U.S. fatalities would represent a compatible level.

Others may have a less optimistic view of the likely casualties but still believe it is possible to win a nuclear war. Last week, James B. Edwards. secretary of energy, defended the Reagan admin-istration's commitment to testing and building more and better nuclear weapons. "I hope we never have to get into another war," he said. "If we do, I want to come out No. 1, not No. 2."

On the other hand, there is former Secretary of State Cyrus R. Vance, who left the Carter administration before it formulated Presidential Directive 59. Mr. Vance, in an interview, stated: "I happen to be one of those who believe it is

madness to talk about trying to fight a continuing nuclear war as though it were like lighting a conventional war situation, and that one could control the outcome with the kinds of precision that is sometimes possible in a conventional war situa-

"It is a totally different world, a world that is hard for any of us to conceive, because none of us knows what a nuclear war is like. But by extrapo-lation, we can have some idea of the incredible devastation that would come from it and the almost managinable consequences that would flow



# PLO's Evacuation Is Only One Step on the Long Road to a Solution in Lebanon

By Thomas L. Freidman New York Times Service

BEIRUT — One issue being haggled over in the negotiations involving the PLO's withdrawal from Beirut is what to call the day of departure. Philip C. Habib, the U.S. special envoy, had innocently suggested calling it "D-day," but the Israelis rejected this, arguing that it summoned up images of Normandy and had connotations of victory. They said it should be called "E-day," as

But whatever it is eventually called, the day the Pales-tine Liberation Organization guerrillas pull out of Beirut will mark the close of only the second phase of the Leba-non crisis. There are at least two more phases to come, and if Mr. Habib intends to stay until they are resolved, he had better start preparing, like the Israelis, for the long

The first phase of the Lebanon crisis was completed at the end of June, when the Israeli army secured control of the 25-mile (40-kilometer) stretch running from Israel's northern border to Sidon. The second phase — determining what happens to the PLO leaders and guerrillas in West Beirut—appears close to resolution.

Phase three, however, will deal with a larger topic—

the fate of the Syrian troops and Palestinian guerrillas throughout northern Lebanon and the eastern Bekaa Valley. And phase four will take up the grand question of the future political, economic and diplomatic relations between Israel and its neighbor to the north — if that neighbor is still in one piece.

#### **NEWS ANALYSIS**

It could be protested that this agenda is defined by Israel's objectives in Lebanon and ignores the wishes of the Lebanese, the Syrians and the Palestinians. That is true enough, but Israel is the most powerful force in Leb-anon right now and it seems inevitable, for better or for worse, that its actions will be decisive in determining the course of events here. Being forward-looking, the Israelis have already begun preparing for phases three and four.

Last week an Israeli armored battalion moved 20 miles north along the coastal highway from Beirut into the port of Jubail and east to the mountainside village of Laolouq. The thrust put the Israelis in a stronger military position to enforce their demand that all Palestinian and Syrian troops in the northern Lebanese port of Tripoli and the Bekaa Valley leave Lebanon before the Israelis do. From Jubail the Israelis could easily strike north at Tripoli and

from Laqlouq they can overlook the Syrian positions in the northern Bekaa Valley.

As the Israeli forces entrenched themselves in the north of Lebanon, Defense Minister Ariel Sharon repeated his warning to the Syrians in Lebanon: "Either they with-draw peacefully or face the consequences of Israeli forces coming within 25 miles of Damascus."

Although precise figures are not available, there are believed to be about 30,000 Syrian troops in the Bekaa-Valley — considered Syria's soft underbelly — and northern Lebanon. For the past two months they have been reinforced by scores of tanks, long-range artillery, truck-mounted rocket launchers and anti-aircraft missles. But their strategic position is being eroded as Israeli troops inch closer to them from the high ground to the south, west and now the north.

The Syrians are formally in Lebanon under a 1976 mandate from the Arab League, which dispatched them to quell the civil war. The Lebanese government, concluding that the Syrians tended to contribute as much civil strife as they quelled, has used the Israeli invasion as an excuse not to renew the Syrian mandate, which expired July 27. But President Hafez al-Assad of Syria says his troops will not leave Lebanon until the Israelis do.

Wavel camp. Palestinian sources estimate that there are 5,000 PLO guerrillas based in the Tripoli region and 2,000 others working out of the Bekaa Valley, behind Syrian lines. These guerrillas are not covered by the current evacuation plan being worked out by Mr. Habib.

Many here believe that the Israelis will use the same tactics against the Syrians and Palestinians in the Bekaa and north Lebanon that they used against the PLO fighters trapped in Beirut: batter them and negotiate with them by turns until they agree to leave. Such could be Lebanon's winter.

If the Syrians were forced out by purely military means there could be unfortunate consequences for Lebanon, whose economy is intertwined with Syria's.

Phase four, whenever it comes, will probably be less violent, in the view of observers here, but for Lebanon and the Lebanese perhaps no less wrenching. The Israelis have made several things clear in the past few weeks. First, they do not want any Palestinian refugee camps

As for the Palestinians, there are two large refugee camps north of Tripoli — Nakr el-Bared and Badawi — and another in the Bekaa Valley near Baalbek called the main camps in both Sidon and Tyre, 15 miles to the south. The Israeli minister of economy, Yaacov Wavel camp, Palestinian sources estimate that there are legally residing in Lebanon to be integrated into the local population rather than living in isolated camps where guerrilla activity and Palestinian nationalism can breed side by side side by side.

Second, the Israelis have stopped asking for a multipational force to police southern Lebanon, but are calling instead for a "friendly Lebanese force," perhaps led by Maj. Saad Haddad, the Israeli-backed renegade Lebanese Army officer who announced recently that he was ex-panding his Free Lebanon zone from the border strip all the way to the Auwali River bridge just north of Sidon.

Finally, the Israelis say they want a peace treaty with a mited Lebanon. This may be a contradiction in terms. Even such pro-Israeli Lebanese as former President Camille Chamoun have declared that while hostilities with Israel should end, Lebanon cannot sign a peace treaty with the Jewish state and expect to remain in the Arab community. This is crucial because virtually the entire Lebanese economy is based on providing services to the

# **A Wave of Terrorism** In France Is Touching Jews, Non-Jews Alike

By Steven Rattner

New York Times Service PARIS - In the part of the Marais quarter where Jews have lived since the Middle Ages, the mood in the narrow streets and appealingly worn buildings is apprebensive.

Knots of people stand outside Jo Goldenberg's shuttered restau-rant, where an attack a week ago left six persons dead.

But the lears and worries of terrorism have gone far beyond France's 700,000 Jews. The wave of attacks — the one on the restaurant was only one of eight incidents in Paris in just two weeks has touched Jews and non-Jews alike, and has left the country nervous and clamoring for action.

## Prayer Hall Set Aftre

In yet another incident, a fire set early Saturday by an arsonist damaged a hall used for Jewish prayer

Virtually every French leader, including union officials, has called for action. Talk of the bombings has dominated both the news and private conversation.

Tighter security measures have already been instituted throughout Paris, and President François Mitterrand has scheduled a special session of his advisers Tuesday, to be followed by an unusual television interview.

"The French people want the president of the republic to act and not just talk," said Bernard Pons, an opposition politician. "The president of the republic decided

# Israelis Face New Criticism

(Continued from Page 1) Israel encourage France's friendship, despite differences of opin-

"Begin is irresponsible," said Pierre Mendès-France, a former French prime minister, in a newspaper interview. "I think that what he is doing is tragic for all the world, for his people, and for the

country."
In Vienna, Austria's foreign minister, Willibald Pahr, praised the United States for intervening to halt Thursday's assault on Beirut. "Only under hard pressure from the United States, for which we must be grateful, was this bombardment ended," he said at a news conference.

And in The Hague, the Dutch government appealed to Israel to lift its blockade of West Beirut, in keeping with a United Nations Se-curity Council resolution adopted Thursday night.

## Reaction in Cyprus

Reaction on Friday to Thurs-day's continuation of the Israeli offensive went beyond major European capitals. In Nicosia, President Spyros Kyprianou of Cyprus strongly condemned the Israeli attacks as "a horrible crime of genocide against the Palestinians and the people of Lebanon, which is a stain on our civilization."

He said in a statement that the continuing siege and fierce bombardment were causing "universal indignation and abhorrence."

The International Federation of Resistance Fighters also joined in the protests. A statement issued in Vienna by the group said that "those who fought against Nazi barbarism and for the independence of their countries relentlessly condemn indiscriminate use of violence by the Israeli government, its disregard for human rights and democratic world opinion."

## Tremor Hits Naples Region

United Press Interna POTENZA, Italy - An earth tremor Sunday shook the area in southern Italy where an earth-quake in the Naples region in 1980 killed about 3,000 people, police said. Hundreds of people fled to the streets. There were no injuries or damage, police said.

Frenchmen because he, like every-one, sensed the extent to which public opinion was distressed and traumatized."

## Debate on Anti-Semitism

The attacks against Jews have also rekindled a debate about French anti-Semitism. The discus-sions include references to the false treason conviction of Alfred Dreyfus, a French Jewish officer. in 1894. A fresher image is that of Jews being rounded up by the po-lice for shipment to German death camps during World War II.

"The French are anti-Semitic by nature," said André Journo, the 38-year-old proprietor of a combined liquor store, nut store and delicatessen in the Marais. "I wouldn't like to be in Mitterrand's

The more fiery Jewish spokes-men have called for self-protection, a view that has a number of emotional supporters. But most Jews have taken pains to try to defuse the bitterness, arguing that incidents such as the one at Goldenberg's reflect the local effects of international terrorism.

"The magnificent reaction of the people of France — all political opinions merged — demonstrates that the situation is quite different from that of 1937-38 when a Paris municipal councillor was able to be elected on a platform saying 'I Borge Baraini and the neighboram an anti-Semite,' said Rene ing camps of Chatila and Sabra, all Sirat, France's chief rabbi, in a on the southern outskirts of the newspaper interview. "Those times are finished."

And while many Jews are prepared to believe that a climate for attacks on Jews exists, few cite French anti-Semitism as the direct responsible, Abu Nidal, has also been held responsible for attacks on leaders of the Palestine Liberation Organization, its bitter foe. Abu Nidal is named for a dissident former PLO member who has been sentenced to death by that organi-

"I blame the security of the borders of France," said Alain Sarfati, a Jew who came to France 20 years ago from Algeria. "This is just a big demonstration to say, "We are good killers and killed people in

## Role as Haven Debated

From its perch on the Rue des Rosiers, the Goldenberg restaurant represented a center of Jewish life. Although effective, the shooting and killing were indiscriminate, according to witnesses. Only two or three of the six persons killed were

"This is a unique neighborhood where racial harmony prevails, even though Jews and Arabs live here," said Ronan Magill, a British pianist. "Goldenberg's is a place where everybody goes."

France also has begun to debate its long-standing role as a home for refugees, a role that has made the field on which political grievances — not just involving the Middle East — are often played out. Armenians, Corsicans, Basques and other groups have all made violent statements.

ligion and background began to take hold after March 8, when five passengers were killed in a bombing on a Paris-Toulouse express train. On April 22, a bomb exploded outside an Iraqi newspaper office off the Champs-Elysées, killing

one person and injuring 63. On July 20, a bomb exploded in a Left Bank cafe, injuring 16 persons. That attack was claimed by an Armenian group.

"The average Frenchman is gen-uinely upset," said a foreign diplo-mat. "Law and order has become quite a popular issue."

For French Jews, such sensitivi-

ties have been compounded by the strong opposition in the country to the invasion of Lebanon by Israel. Lebanon was controlled by France for three decades after World War l. and strong linguistic and cultural ties exist with the Lebanese



The United Press International bureau chief in Beirut, Vincent J. Schodlolski, and his wife, Elaine, sorted through debris after the news agency's office in the building of L'Orient-Le Jour newspaper was hit by a phosphorous shell Aug. 4 during the Israeli bombardment of West Beirut.

# Israeli Raids Exacted a Deadly Toll In Leveling PLO Refugee 'Camps'

By John Kifner New York Times Service

BEIRUT - There is not much left standing in the Palestinian refugee camps, where old men, wom-en and children search for what they can salvage from what had once been their homes.

Borge Barajni and the neighbor-ing camps of Chatila and Sabra, all city, have borne the brunt of the shelling and bombing during Isra-el's siege of Beirut, including Thursday's 11 hours of air strikes.

Most of the civilians had fled Borge Barajni during the siege. During the weekend they took advantage of the cease-fire announced by Israel after an angry telephone call from President Reagan, to return to see what was

## Few Families Remain

A few families had remained, however, taking shelter in bunkers. About 45 people were killed, a Palestinian source said, when a phosphorous bomb hit one of the shelters in the camp on Thursday. Camp is perhaps a misnomer,

conjuring up a picture of tents, field kitchens and flapping laundry

The refugee camps looked that way in 1948, when the Palestinians fled from what is now Israel. But since the Lebanese government established them near cities in the mid-1950s, partly as a source of cheap labor, they have grown into seemingly permanent settlements, densely packed sprawling towns of narrow lanes, tin-roofed, stuccoed houses, mosques and ranks of shops, sometimes topped by bal-conied apartment buildings.

Correspondents touring the center of Borge Barajni found its narrow, twisting lanes to be just jum-bled slabs of concrete and plaster, chunks of what had once been walls, all evidence of the enormous quantities of bombs and shells poured into the camp. Sheets of corrugated roofing tin were crumpled and twisted.

The recognition that the perils had spread to people of varying religion and background began to whatever else they could find and carrying these items away in bundles on their heads. And a 10-yearold boy, Betna Mohabath, rummaged in a sheared-off room of his house, proudly emerging to hold

up a framed picture of Abu Iyad, one of the top guerrilla leaders. Since the guerrillas had already signed an agreement to evacuate West Beirut to end the siege, the bombing and shelling appeared to be intended to level the camps.

By their very separate existence. refugee camps such as Borge Barajni acted as hothouses of Palestinian nationalism for the guerrilla movement, nurturing the idea of a lost state to be regained.

## **Israelis Bulldoze Camps**

The Palestine Liberation Organization, which built a vast semigovernmental organization here, encouraged the continued existence of the camps, as opposed to assimilation.

In the south, the Israelis have bulldozed refugee camps to make them uninhabitable.

Beirut newspapers said Friday that the killing and destruction in Thursday's raids had been greater than on any previous day of the Israeli invasion, which began June 6. At least 800 houses were reported destroyed, including about 600 in the refugee camps.

Police said 156 civilians had

been found dead in the bombing. But no one knows the exact number because many victims have been buried under buildings. Also, nearly all hospitals have been closed because of shelling and lack of medicine, electricity and staff. What is apparent, however, is that the overwhelming majority of those killed were civilians.

Doctors at the existing hospitals and makeshift field shelters say nearly all their patients are civilians, many of them victims of clus-ter bombs, which throw tiny shards of metal. Guerrilla leaders say they have lost relatively few men because they have been in shelters. Their casualties have usually come at such clear and relatively exposed targets as heavy-gun

Indeed, virtually every street in West Beirut swarms with gunmen when the shelling stops.

Palestinian civilians, however, are for the most part unable to escape from West Beirut because the checkpoints on the single crossing area to East Beirut are manned by militiamen of the Lebanese rightist Christian force, the Phalange, who turn back Palestinian civilians.

## Israelis Bend on PLO Exit

(Continued from Page 1) Tunisia, Egypt, Algeria, North Yemen, Southern Yemen and Su-

Lebanese sources doubt, however, that many guerrilla fighters would accept asylum in Egypt, Jordan, Sudan and Iraq, for political, cultural or geographical reasons.

The list of fighters was augment-ed Saturday by 5,000 more names when Gen. Sami Khatib of Lebanon returned from Damascus with a commitment from President Hafez al-Assad of Syria that Syria's 1,500-man 85th Brigade, which is still in Beirut, would withdraw along with the 3,500-man force of the Syrian-controlled Palestine Liberation Army.

Both the Israeli official and a PLO official in Beirut said Sunday that questions about the arrival and responsibilities of the proposed multinational force were no longer a major problem in the Israel had been insisting that the out.

force not start arriving until the bulk of the PLO fighters had left, to prevent the guerrillas from reneging on the evacuation deal and using the force as a shield.

The PLO, which originally want-ed the force to arrive before its departure, said it would back down no further than accepting that its vanguard should come at the same time as the first guerrillas leave.

In this they are supported by Lebanese Moslem and leftist lead-ers, who fear that otherwise Moslems remaining behind in West Beirut would face possible attack by Israel or its Lebanese Christian allies.

With the Beirut cease-fire holding, some streets were cleaned of the heaps of accumulated rubbish and a ruptured water main was plugged, returning fresh water to some areas. Food shipments arrived in the besieged Moslem sec-tor, but electricity, cut by the Is-raelis three weeks ago, remained

# Israeli Cabinet's Curb on Sharon Follows One Too Many Bombings

By James Feron

New York Times Service JERUSALEM - Last Thursday's 11-hour bombing of West Beirut, the fourth straight day of aerial attacks, finally proved too much even for the Israeli Cabinet. The members reined in Defense Minister Ariel Sharon in a rebuke that could have repercussions well beyond the situation in the Lebanese capital.

Mr. Sharon, the hero of the Yom Kippur war of 1973, had be-come a feared and unpopular figure, and some ministers felt a sense of relief after their nearunanimous decision requiring him to get Cabinet approval for all substantive military actions. The ac-tion raised questions about his fu-ture as chief negotiator in Beirut and about long-term Israeli strategy, but he brushed aside calls for his ouster. "I have no intention of resigning," he said Saturday.

His view that continuing mili-

tary pressure was what persuaded the besieged Palestinians to agree to leave Beirut had become increasingly counterproductive, his critics said. But he offered no apo-logies. Commenting earlier last week on Israeli prospects for get-ting the Syrians, and Palestinian fighters sheltered behind their lines, out of eastern Lebanon, he "The Syrians are not in a good position. It's not like the past when their cannons could reach Haifa. The situation today is that all of Damascus is within artillery range of Israel. Syria will have to choose which they prefer, a situation where we are 25 kilometers

# **QE2** Starts Off On First Cruise After War Duty

The Associated Press SOUTHAMPTON, England - A refitted and freshly painted Queen Elizabeth 2, the world's premier luxury liner, has returned to the cruise trade after serving the British mili-tary in the Falkland Islands conflict

Cheered by thousands of people and escorted by bobbing pleasure craft, the 67,000ton pride of the British merchant navy set sail from this port on a five-day Atlantic crossing to New York. Hun-dreds of vacationers each paying between £500 and £2,000 (\$850 and \$3,400) crowded the

Pressing at those same rails three months ago were soldiers of the 3,500-strong 5th Infantry Brigade, which saw some of the beaviest fighting in the 10-week war over the Falklands. Argentine planes never detected the Queen Elizabeth 2, which hugged the coast of Africa and made top speed — often unescorted — through icebergfilled waters.

## South Korea Frees 1,286 in Amnesty; Kim Still Jailed

The Associated Press
SEOUL — The South Korean government has granted amnesty to 1,286 jailed dissidents and common criminals in celebration Sunday of Liberation Day, the national holiday marking the end in 1945 of Japan's colonial rule over Ko-

There was no reference in the announcement to Kim Dae Jung, the country's most prominent dissident, who was convicted of sedi-tion in 1980 and is serving a 20year prison sentence. But the amnesty Saturday did

include three people involved in the Kim case, as well as four connected with the May, 1980, uprising in the city of Kwangju and 28 imprisoned on charges of violating previous martial-law edicts. The rest were described as common criminals.

Also released was Chi Jung Kwan, a Korean photojournalist based in Tokyo and imprisoned in 1979 on charges of spying for North Korea. He denied the charges in his court appearances following his arrest following his arrest.

## Armenian in Sacrifice Dies

ISTANBUL - An Armenian who set fire to himself in a busy Istanbul square last week to pro-test an attack on Ankara's airport by Armenian nationalists died Saturday, the state radio reported. Artin Penik, 61, left a note condemn[15 miles] from Damascus, or where all forces (Israeli and Syrian) leave Lebanon There were hints that Mr. Sharon had been preparing for

military moves once the guerrillas left West Beirut. The Israelis de-**NEWS ANALYSIS** 

# nied that they were redeploying, but witnesses said the road north

was one long Israeli military con-Until last week's blowup, the

Cabinet had seen strategic value in Mr. Sharon's tactic of making credible the threat to attack the Syrian capital. But the sustained bombing of West Beirut and the resulting threats from an outraged President Reagan to withdraw the U.S. mediator, Philip C. Habib, may have persuaded Israeli leaders to slow down.

The government has declined to disclose its timetable, if it has one, for eventual withdrawal from Lebanon. Officials say the goal is an "arrangement" with Syria that would bar the guerrillas from returning to Lebanon and permit a stable Lebanese government that could accept open borders with Israel. Jerusalem already has directdial telephone service to southern Lebanon, and the first 14 tourists from Beirut, Sidon, Tyre and Nabatiye have arrived in Israel for a four-day visit.

## Palestinian Psychology

If the bombing was responsible for Palestinian willingness to leave Lebanon, would the opposite also be true? Would the Palestinian fighters take heart from what was perceived to be a more restricted Israeli military posture and seek better terms for their evacuation?

The Israelis said no. "We will continue to respond to cease-fire violations and we will hit at PLO targets, immediate or potential," aranking official said. "But in the Sinai, not in the streets of Beirut."

Habib all the opportunity we can."
He added that he was optimistic that the talks would succeed soon. For many Israelis, meanwhile the war has become an exhausting

preoccupation. A taxi driver shrugged off conversation about the Beirut bombing. "Why should I go 45 days to Lebanon?" was his concern. "I should be here working. It's too much, this war." Others wondered about its cost in other terms. There was the human cost

322 Israelis killed and 1,900 wounded and perhaps 3,000 Pales-tinians and Lebanese dead, by some estimates — in what some Is-raelis see as a defensive action that became an offensive campaign. "We achieved our initial goals," a university professor said. "We made the northern area safe, we broke the back of the terrorists and we are opening the way to restoration of a strong central government in Lebanon. Now we should be finished with it."

## Long Occupation Feared

Israel's determination to leave Lebanon only after other foreign forces - the Palestine Liberation Organization and the Syrians have gone has prompted some weary Israelis to foresee a long oc-cupation. "We did not expect to occupy the Sinai for 15 years," Mr. Sharon said on television. A woman watching groaned and asked, "Does that mean 15 years in Leba-

There were also fears that hostility could become a domestic concern. Some Israelis were worried about psychological scars, or a brutalization created by the war. The 1967 and 1973 wars were followed by a sense of relief, but this

time the mood is heavy. "It's an unpleasant war," said one woman. "Our children were taught to fight in the sands of the

# WORLD BRIEFS

## Iraq Threatens to Sink Foreign Ships

BEIRUT - Saddam Hussein, president of Iraq, repeated Sunday a warning that foreign ships using Iranian ports face attack by Iraqi planes, and singled out oil installations on Kharg Island as a target, the

official Iraqi News Agency said.

The island, about 100 miles (160 kilometers) south of the head of the Gulf, is Iran's main oil export terminal. The Iraqi Air Force has attacked it several times during the 23-month Gulf war. It lies within a military exclusion zone announced by Iraq last week after two ships, one Greek and one South Korean, were sunk by Iraqi planes near the Iranian port of Bandar Khomeini.

Mr. Hussein said, "Foreign shipping companies have only themselves to blame if their ships approach this place."

# **Jetliner Blast Traced to Criminal Act**

HONOLULU - The explosion last week that killed a Japanese teenager and injured 16 persons aboard a Pan American World Airways flight was the result of a criminal act and involved a substance similar to dynamite or nitroglycerin, the FBI has determined.

"We're confident it was not something innocent, some sort of accident," William C. Ervin, special agent in charge of the FBI's Honolulu office, said at a news conference Saturday. "Somebody placed it there. How it was detonated, we don't know yet."

An FBI laboratory expert from Washington also determined that the device, the size of which was not disclosed, was placed below the cushion on the right side of the seat. The occupant of the seat, Toru Ozawa, 16, was killed when the device exploded Wednesday on a Tokyo-to-Honolu-

# Ghotbzadeh Trial Opens in Tehran

NICOSIA - Sadegh Ghotbzadeh, the former Iranian foreign minister. has pleaded not guilty to charges of plotting to assassinate Ayatollah Rubollah Khomeini, Iran's official news agency reported.

But Mr. Ghotbzadeh, 47, "confessed" to the military-revolutionary tribunal at the opening of his trial Saturday that he had intended to

overthrow the government and change the whole regime, the agency said

Mohammed Rey Shahri, a clergyman who is presiding at the trial in Tehran, reportedly said that Mr. Ghotbzadeh, who was arrested last April, had led a group of military and civilian conspirators intending to overthrow the Islamic regime of Ayatollah Khomeini and set up what they called a "true Islamic regime." The trial is to resume Monday.

# Labor Leader Arrested in Philippines

MANILA - The leader of a 500,000-member Philippine labor group was charged with inciting rebellion Sunday in what was seen as a bid by President Ferdinand E. Marcos to quell unrest before his visit to the

Charges were brought against Felixberto Olalia, 68, chairman of a workers' group known as the May I Movement. He will be tried before a special commission looking into subversion cases.

## Mr. Marcos last week claimed to have information that terrorists plan a wave of bombings and assassinations in mid-September while he visits

## Italy's Socialists May Rejoin Coalition ROME - Premier Giovanni Spadolini informed President Sandro Per-

tini on Sunday that the Socialists, who withdrew from Mr. Spadolini's last government and caused its collapse 10 days ago, might by ready to join a new Italian coalition. The development makes it less likely that early elections, which Mr. Pertini said would be traumatic, will have to be called.

All five parties that took part in the last government have given tious approval to a plan to streamline Italy's political processes wi recourse to lengthy and controversial constitutional changes. The S ists said the plan fulfilled their conditions for cooperation.

Compiled From Agency Dispatches

From July 5th through August 27th, Monday through Friday, the International Herald Tribune will present the news in English at 10 a.m. on radio station RMC.

Froutez la radio qui vous écoute

# Blacks Defy South African Court, Protest at Hanged Man's Funeral

By Alan Cowell New York Times Service

JOHANNESBURG - More than 500 South African blacks defied a court order Saturday by singing protest songs and giving clenched-fist salutes at the funeral of a man found hanged in his pris-

Ernest Dipale, 21, was discovered last Sunday hanging by a strip of blanket in Johannesburg's main security police station, John Vorster Square. Police said his death had come within hours after he made a confession about the activities of outlawed nationalist fig-

In South Africa, where there are tight limits on legitimate channels of expression for the 20-million-strong, voteless black majority. Radio
ty for political statements.
However, Magistrate Johannes
Duvenhage issued a court order frontation.

es at the burial and prohibiting expressions of support for any organ-izations or parties through prayer

Saturday, police officers initially turned away mourners who arrived at Mr. Dipale's home in the black area of Dube, outside Johannesburg. They also intercepted three foreign television crews, confiscat-ed the permits allowing them to enter the area and sent them back to Johannesburg, warning that they would be arrested if they

sought re-entry. Despite the police presence and the court order, however, black mourners at the funeral raised their voices in songs demanding freedom and waved clenched-fist salutes. Four persons were led from the graveside by police officers, but it was not known if they

had been arrested. There were no

immediate reports of violent con-

53d person to have died in police custody in South Africa since 1963. At least 18 of them have been found hanged.

Last February, a union organizer, Neil Aggett, became the first white to die in detention. His funeral on Feb. 13 attracted a cor-tege of more than 1,000 blacks and whites through central Johannes-burg and thus provoked a display of black political feeling in white areas of the city.

Following that demonstration, the new security regulations covering funerals were framed.

After Justice Duvenhage's court order a newly created black group, the Detainers' Aid Movement, is-sued a statement saying it was "distressed" that Mr. Dipale could not be given a hero's funeral and setting Sunday as the date for a memorial service for him in Soweto the huse black township

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# The U.S. Press Corps vs. Speakes: A Little Humor Helps

Washington Post Service
WASHINGTON — It was an-

other languid August afternoon. and the temperature was rising in the air-conditioned White House press room.

Before Larry M. Speakes, the deputy White House press secretary, finished his midday brief-

ing last Tuesday, a presidential statement on controversial tax legislation had been called "dribble." one reporter had asked about President Reagan's stand on bestiality and necrophilia, and the exasperated Mr.

Speakes had declared:
"This is a foolish briefing. ... I tell you what: I challenge any news organization here to reprint this briefing in full in

their newspaper."
So it goes in the dog days of summer at the daily White House briefing, alternately one of the most serious and one of the most bizarre rituals of Wash-

The briefing Tuesday began with Mr. Speakes reading presidential quotations from a congressional meeting during which Mr. Reagan had pushed for the tax increase bill, saying it would lower interest rates.

A reporter interrupted: "If you really want us to take this dribble down, you've got to go

Mr. Speakes continued to describe the benefits of the bill,



Larry M. Speakes

saying, "Real estate, auto, con-struction and related industries will be very happy," but he was interrupted by Sarah McClendon, the persistent correspondent known for throwing barbed questions at presidents.

Mr. Speakes: "Choke it down, Sarah, I've got a little bit more." Another reporter: "She keeps bubbling up back there."

Miss McClendon eventually asked about the list of promises Mr. Reagan had made about economic recovery: "Can the president document this? Can

you provide us with any proof this would happen?" Mr. Speakes: "Sarah, I am not a prophet, nor is he."

When she persisted, Mr. Speakes offered to explain supply-side economics, but that did not satisfy her. "Would you please give us the documentary proof that he has?" she demand-

"Look, Sarah. Look, look, look. I'm not the president. You can't sit here and badger me like you did him, now," Mr. Speakes

Another reporter: "Larry, she has the right. Mr. Speakes: "She has a right to the question, and I have a right to refuse to answer the question. I didn't."

Then Sam Donaldson, an ABC television correspondent. asked about the tax increase.
"Deficit reduction, Sam," Mr.

Speakes intoned. When Mr. Donaldson protested, Mr. Speakes retorted: "This is not a debate society, Sam. If you want the facts, I'll be glad to give them to you. If you want to debate, I'll bring on a debater." "This is a foolish briefing,"

Mr. Speakes sighed. "Had enough? I have." It wasn't over yet. Lester Kinsolving of Globe Syndicate, pointing to a pub-lished report that the govern-ment hires people regardless of their sexual preference, wanted to know. Does President Reagan believe that the United States should be represented by all the many kinds of announced

sexual preference or not?"

Mr. Speakes: "I haven't heard him advocate a quota system of sexual preferences for government employees."

Mr. Kinsolving: "I under-stand that. Does he believe that you should hire all kinds of sex-ual preferences. I mean, there is a wide variety."

Another reporter: "How many kinds are there, Lester?"

Mr. Kinsolving: "Well, there is necrophilia, bestiality, sodomy.... I just want to know, where does the president stand on this?"

Mr. Speakes: "Is there a serious question anywhere here?"
In fact, Mr. Speakes has come to expect such tangents, if not particularly to enjoy them. He thinks the White House briefings should be more orderly, like the State Department's brief-ings, but he is resigned to the fact they never will be.

The midday White House briefings are "so much of a ritual stage play." he said.

"Everyone wants to be a co-median," he lamented, and he often responds in kind. "Humor," he said, "is your greatest

One result of the sessions like the one last Tuesday is that Mr. morning briefing in his office that is usually less combative, and, in the view of some reporters who attend, more useful.

And sometimes, when the irritations are too much for him, he delivers a lecture, as he did July "On August the first this year

it marks my 14th anniversary in Washington, .D.C.," he said. "When I came here I called up the phone company and I had a phone installed and had my name put in the phone book. And since that time it has remained in the phone book ... I have always felt strongly about that. If I'm in the business of being a spokesman and receive a high government salary, then I should be available to the press.

"However, prior to this week
— and I don't mean to call any
names and at least one of them's here, if not two - I have been awakened, twice, at 5 a.m.
... This morning I was awakened at 5 a.m. on the subject of the French imposing the — saying they were going to violate the sanctions [on the Soviet natural gas pipeline]. In neither case did I have an answer.

"I give out my number think-ing that you should probably reserve it for ...

Reporter: "World War III?" Mr. Speakes: "Russians crossing the border in at least division

# Massachusetts Election a National Barometer Tax Scandal May Swing Democratic Gubernatorial Primary



Rear Adm. Walter Locke

# U.S. Navy Ousts Tomahawk Missile **Program Director**

WASHINGTON - The U.S. Navy has announced the dismiss of the head of the troubled \$15.6billion Tomahawk Cruise missile

The departure of Rear Adm. Walter Locke marked the latest in the series of problems to befall the 10-year-old Tomahawk project. In June the contractor, the Convair division of the General Dynamics Corp., was warned by the Navy to improve quality control. But in two of four test firings since July 1. Tomahawks have failed to hit their

target, the Navy disclosed. Adm. Locke, head of the Tomahawk program since its incep-tion, will be replaced by Rear Adm. Stephen Hostettler, director for the past year of the Surface Combat Systems division in the office of Adm. Thomas B. Hay-

ward, chief of naval operations.

The Navy said Friday that
Project Tomahawk — a joint undertaking by the Navy and the Air Force under Navy leadership — was moving from the development and testing stage to the production phase. "It was considered appropriate that the program manager be changed at this time," a Navy

July 21 of Mr. Coady's implication in the scandal. Earlier, Stanley J. Barczak, a convicted tax swindler

Carter two years later, and Mr. King is widely viewed here as President Reagan's favorite Democration. By Fox Butterfield New York Times Service BOSTON - When Lt. Gov. Thomas P. O'Neill 3d was getting a haircut the other day, his barber brought up a subject that has dominated the headlines here all sumcould not remember if he met Mr. mer: the bitterly contested battle Barczak then — had been arrested on charges of accepting bribes for the Democratic gubernatorial nomination between Gov. Edward

from delinquent taxpayers. J. King and the man he defeated in 1978, former Gov. Michael S. Du-The entire Italian community is going to vote for King — King is going to win big," Mr. O'Neill, the son of the speaker of the U.S. House of Representatives, recalled the barber telling him about the in at her office.

Sept. 14 primary. The barber's comment surprised Mr. O'Neill, who was himself a candidate for the governorship until last May, because for the last few weeks most political analysts here have felt that Mr. King has been badly stung by a spreading corruption scandal in the Massa-

chusetts Revenue Department. John F. Coady, an old friend who was appointed by Mr. King as a deputy revenue commissioner, hanged himself in his home days after the governor was informed

who worked for Mr. King in his 1978 campaign and had an appointment to see him last fall although the governor has said he

Also, Joyce Hampers, the revenue commissioner, initially refused to turn over files subpoenaed by the grand jury and later insinuated that the attorney general's office had been responsible for a break-

The scandal has revived memories of Mr. King's earlier troubles with incompetent and corrupt subordinates just as he appeared to be gaining ground on Mr. Dukakis through a \$1-million television advertising blitz and well-publicized efforts to cut taxes and crack down on drunken drivers.

The primary election has national significance as a test of the endurance of the swing to the political right, as evidenced by the 1980 elections. Mr. King's victory over Mr. Dukakis in the 1978 Democratic primary presaged Ronald Reagan's triumph over Jimmy ic governor.

Mr. O'Neill and a number of other politicians believe the cur-rent battle between Mr. Dukakis and Mr. King is too close to call, despite Mr. Dukakis' lead in the polls. He enjoyed a big lead in 1978, too, before being defeated by Mr. King Gerald FitzGerald, Mr. Du-said polls

kakis' press secretary, said polls taken for the Dukakis campaign showed him still ahead by 20 percentage points. "But I expect it to close up tighter," Mr. FitzGerald In May, Mr. Dukakis handily

won the party's nonbinding en-dorsement at the state Democratic convention, and as late as June a poll by The Boston Globe found him besting Mr. King by 68 percent to 20 percent.

But Mr. O'Neill said his own "street polling" told him that the imbroglio in the Revenue Department had not hurt the governor's recent comeback.

People have a steadfast belief that corruption exists in Massachusetts and take it for granted," Mr. O'Neill said in an interview.

added, is that politics in Massachusetts still tends to be "tribal "It may not be exactly warfare." ethnic," he added, "but class is very significant."

In this struggle Mr. Dukakis appeals to liberals, suburban resi-dents and the state's relatively large number of intellectuals. Mr. King, a conservative and a former professional football player who opposes abortion and favors the death penalty, tends to draw sup-port from blue-collar workers in the old industrial cities and the Roman Catholic Irish and Italian

The governor is also favored by the leaders of the state's new high-technology industries, who like his calls for ridding Massachusetts of its high-tax image.

His effort to repeal a 7-percent surtax on the state income tax, imposed in the Dukakis administration, was defeated in the Legislature earlier this month. But the overall state tax burden has been educed by about 25 percent since Mr. King took office, largely because of a sharp rise in personal

Perhaps more important, he

ered a key to the resolution of continuing shake-ups within the armed forces that pose a threat to Argentina's army-ruled govern-ment, political leaders and analysts

Among the details revealed by terviews are these:

# Sources Say Argentines Prepared Early Plan for Falklands Invasion

By Jackson Diehl

Washington Post Service
BUENOS AIRES — Argentina's military leadership ordered the preparation of detailed plans for invading the Falkland Islands more than two months before the incidents in the South Atlantic that Argentina later said had pro-voked the conflict with Britain, according to Argentine military sources

The sources said the Argentine military government adopted a general plan to take over the Falklands by diplomatic or military means last September. Then the detailed invasion plans were pre-pared in January, according to the

Using these detailed plans, the ruling junta decided on March 26 to go ahead with the attack, the sources said. This was a week before the actual landing and during a time when intensive negotiations were continuing between Argen-tine, British and U.S. diplomats, The night of the junta's decision,

a detachment of Argentine marines secretly landed on the disput-ed island of South Georgia, where trouble had begun several days earlier over the raising of an Argentine flag, the sources said.

Image of Haste Denied

This new account, by high-ranking navy and army sources, indi-cates that the April 2 invasion was not entirely the hasty, impetuous action that has been portrayed here following Argentina's defeat by a British task force.

by a British task force.

The military sources insist that the Argentine plans were activated only after the public dispute with Britain began over 39 Argentine workers on South Georgia.

Had the military command waited another six weeks to act, these sources said Argentina would

sources said, Argentina would have been far better prepared to fight because of new imports of arms then expected from France and other countries. As it was, Argentina had only five Super Etendard fighter planes and five Excet missiles during the conflict, and the navy faced severe problems because many of its A-4 Skyhawk fighter-bombers were out of ser-

Details about Argentina's role in the crisis are emerging as military officials conduct wide-ranging investigations of the Falklands conflict, which until now has been largely clouded here by government silence and extensive propa-

The official studies are consid-

several high-ranking officials in in-While Alexander M. Haig Jr., troops.

then the U.S. secretary of state, was officially acting as a mediator between Argentina and Britain in April, U.S. officials secretly warned President Leopoldo Gal-tieri that the United States would support Britain if the dispute were not resolved diplomatically. Gen. Galtieri was also warned that the British would not hesitate to attack Argentine forces to regain the islands and was given an American assessment that the British would

 Following two such warnings, delivered at a series of late-night meetings at army headquarters, Gen. Galtieri appeared to associ-ates to be convinced that Argentina should unilaterally withdraw its troops from the Falklands. But he later was swayed back to a hardline stance by the navy commander, Adm. Jorge Isaac Anaya, and other military leaders.

• U.S. officials here have refused to comment on specific ef-forts by the Reagan administration to mediate the crisis. But Argentine military officials said the U.S. effort ultimately was doomed by the long tradition of Argentine na-tionalism over the claim to the Falklands, known here as the Mal-vinas, and by the long-held inten-tion of the military to reoccupy them through whatever means was

 As early as mid-April, less than two weeks after the invasion, leading staff officers of the army openly opposed Argentina's policy of risking a military fight with Britain. At that time, the junta in-

# Turkey Awaiting Soviet Answer on Killing of Guards

The Associated Press ANKARA - The Turkish government is awaiting an official So-viet response to a border incident in which two Turkish guards were killed, government sources said Sunday.

Turkish government sources said the Kremlin had not responded to Turkish efforts to clarify last Tuesday's incident in Cildir, a border outpost in Kars province. According to Turkish accounts, the guards were shot when they acci-dentally entered Soviet territory across a buffer zone.

The Turkish sources said the Soviet sentries at the border could have warned the guards that they were violating Soviet territory.

Turkish military authorities have dispatched investigators and two helicopters to scan the mountainous region to get more details, the sources said.

Tass said Friday that the Turkish guards had fired on Soviet sisted publicly that it had the full support of the country.

The Argentine Navy had only

16 operating A-4 Skyhawks at the beginning of the conflict, despite the dozens it was publicly credited with. The Argentine Air Force had other squadrons of the Americanmade planes, but of the navy's 16, only four were still in service when Argentina surrendered.

The accounts provided by mili-tary officials indicate that it was the Argentine Navy and its commander, Adm. Anaya, that pushed the Falklands invasion as a longtreasured project and that swung the balance in Argentina's decision to stick to its insistence on sovereignty over the islands. But the navy was virtually a nonexistent factor in the actual fighting, the burden of which fell almost totally

on the air force and army.

Gen. Galtieri, who often struck a public pose as a gritty, unbending general, emerges in these new accounts as a malleable, somewhat indecisive figure who at times appeared to share the views of the last adviser he had talked to in his characteristic all-night meetings.

Military officials said, however, that Gen. Galtieri became firmly committed to an eventual battle after the U.S. announcement of support for Britain and the first skirm-ishes around the Falklands in early

These actions, which included Argentina's sinking of the British destroyer Sheffield, led the junta members to believe that Argentina could hold its own with the British task force and force a negotiated solution in the junta's favor.

Anaya a Survivor

Ironically, Gen. Galtieri was the first of the junta members to be forced out after Argentina's sur-render June 14, while Adm. Anaya remains in his post and appears to be headed for a graceful retirement later this year.

Adm. Anaya was one of the architects of a 1975 invasion proposal that sat on the shelf until Sep-tember, 1981, when the govern-ment adopted a plan to build up diplomatic pressure gradually on Britain for concessions in the South Atlantic. The first round of negotiations between Argentine and British officials took place in New York in late February of this

Some military officials say they were initially pleased with the results of the talks. Nonetheless, they say staff officers of the various services had been ordered in January to prepare the detailed plans for an Argentine invasion.

One high naval official, who like other officers insisted on remain-ing anonymous, said the planning consisted of deciding such issues as how many troops would be involved in an attack, where landings could be made and where Argentine forces would be assembled

# U.S. Senate Closes Debate on Bill To Give Amnesty to Illegal Aliens

By Robert Pear New York Times Service WASHINGTON — The Senate has completed debate on a bill

granting amnesty to millions of illegal aliens and establishing criminal penalties for employers who make a practice of hiring them.

A final vote on the bill is scheduled for Tuesday Both reprosters uled for Tuesday. Both supporters and opponents of the measure say it is likely to win approval from the Senate. Similar legislation is pending before the House Judici-

ary Committee, where its prospects are uncertain. The Reagan administration generally supports the bill, having proposed similar legislation last year. The Senate debated several amendments on Friday, but there was no substantial change in the bill, sponsored by Sen. Alan K. Simpson, Republican of Wyoming.

Hispanic groups bitterly criti- dicted that "no one will come forcized the proposed amnesty program, saying it was so restrictive that few illegal aliens would come forward to take advantage of it.

The program would grant per-manent-resident status to illegal aliens who entered the United States before Jan. 1, 1977, and have resided in the country continuously since then. It would grant temporary-resident status to those who entered the country from Jan. 1, 1977, to Jan. 1, 1980.

Temporary residents, after three years in that status, could become permanent residents. After five years as permanent residents, aliens could apply for citizenship.

Antonia Hernandez of the Mexican-American Legal Defense and Educational Fund said in an interview that the amnesty program "legalized exploitation" and preward" to participate in it.

In a statement released by her organization, Miss Hernandez said, "The Senate ignored the concerns of the Hispanic community in this bill. The legalization program requires that newly legalized aliens continue to pay federal taxes without receiving benefits for three years or six years. This is known as taxation without representation."

During their three years as temporary residents and during their first three years as permanent resi-dents, aliens would be ineligible to receive welfare, food stamps, Medicaid, and other forms of federal

assistance.
The Senate also authorized an unspecified amount of federal aid for state and local governments that incur additional expenses as a result of the influx of illegal aliens.

# Give the folks back home a picture of Europe and save enough on the call to paint the town.

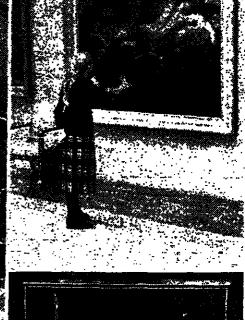
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with dollars, not local currency, when you get four next home or office phone bill. Save these other ways. Telephone Company Calling Card and collect calls may be placed in many countries. And where they are, the hotel surcharges on such calls are usually low. Or, you can avoid surcharges altogether by calling from the post office or from other telephone centers.

Save nights & weekends. Always check to see whether the country you're in has lower rates at night and on weekends. Usually the savings are considerable. Now

# Jamaica's Economic Comeback Remains Slow

By Iain Guest ional Herald Tribune KINGSTON, Jamaica - The small factory producing local arts and crafts lies just off Old Spanish Town Road in the heart of West Kingston. where walls are splattered with graffiti such as "the poor can't take no more."

Houses are crumbling Small knots of youths gather at street corners — victims of an unemployment level of almost 30 percent. This is not the sort of place that Jamaica's tourists visit. Nor, in all likelihood, did it fea-

ture in the grand designs that origi-nally motivated President Reagan's Caribbean basin initiative.
Yet many feel that Kingston's slums are nearer to the heart of the Caribbean's real problem than any threat from Communism posed by Cuba or the guerrillas in El Salva-dor, both of which appear to have been uppermost in Mr. Reagan's mind when he launched the Carib-

bean initiative. Like much of West Kingston, the Old Spanish Town Road has not found economic recovery after the general election in 1980, a landslide victory for the Labor Party, led by Edward Seaga.

Today the slums remain one of Mr. Seaga's most pressing concerns. Just as the small groups of youths, unemployed and restless, are a symbol of Jamaica's social malaise, the unpretentious plant fabricating things Jamaican is, in its own way, a litmus test of Mr. Seaga's economic strategy.

reached 900 during the 1960s. It slumped to 60 during the years of Michael Manley, Mr. Seaga's

Under Mr. Manley, inflation reached 28 percent, unemployment 29 percent and the island nation suffered seven consecutive years of economic decline. By the time Mr. Manley left office, the reserves were exhausted and thousands of disgruntled Jamaicans had left the

Country.

During the past 20 months the small plant has started a comeback. The work force has grown to 180 and 10 outlets have been opened throughout the island.

At the same time, however, the plant's managers have run up against some nagging problems. Requests for foreign exchange to import spare parts can take up to four months to clear the central

bank.
Water, electricity and tele-phones suffer constant service in-terruptions. After an electrical shurdown, the kilns contain thou-sands of dollars in unfired, soggy, unrecoverable clay. Then there is the design prob-lem. Mr. Reagan appointed a group of businessmen, headed by David Rockefeller, to advise on how Jamaica could compete in the U.S. market. They sent a crafts expert, and he concluded that the whole island produces only eight items that could sell in the United

States and not one of those items is being turned out by Things Added to this is what the consultants saw as a lackadaisical attiinto them by a Socialist government that they were owed a living," said Paul Wickman, a U.S.

Multiplied many times over, this is the current state of Jamaican industry, and it has come as a sudden dash of cold water after a dazzling 20 months in office by Mr. Seaga, who immediately reversed the Socialist policies of his prede-Within a year inflation had been

reduced from 28 percent to 4.7 percent, and in 1981 Jamaica registered a positive growth rate of 2 Mr. Seaga paid off Jamaica's outstanding debts a year ahead of time and dramatically cut the public debt. For this he was rewarded with \$700 million from the Inter-national Monetary Fund, which had refused to bail out Mr. Manley

and is still blamed by some for his coupled with a fierce mistrust of Cuban meddling in the Caribbean, this earned Mr. Seaga high marks in Washington.

Jamaica will receive \$112 million in U.S. aid this year, and would get another \$50 million under the Caribbean basin initiative, which faces an uncertain legislative future in the U.S. Congress. It was stricken from the House ap-propriations bill on a technicality, but resurrected in the Senate under pressure from Mr. Reagan. Its fate probably rests with a House-Senate conference committee.

Mr. Seaga has compared the
Caribbean initiative to the Mar-

shall Plan, and at first sight, Jama-

de tourne unter "For comen ins small comen and indeed to bene will armear acre of continues vio-

tructure; its beaches are well known to tourists; its sun, sugar, coffee and bananas are of proven Despite this, almost every sector of the economy is struggling. For

 Industry. The full extent of Mr. Seaga's gamble on open mar-kets is just becoming apparent. Not only will Jamaican companies

sudden influx of foreign imports, which have already cost, by one es-timate, 4,000 jobs. So far, direct foreign investment has been disappointingly slow. In 18 months, 65 projects have been established, resulting in the cre-ation of 3,000 jobs. This will make little impact on unemployment.

· Agriculture. Jamaica cannot

oduce enough bananas or sugar

find it hard to penetrate the U.S. market, but they are reeling from a

to fill generous European quotas, let alone sell in the United States. Bananas are so badly prepared and shipped that they are being reject-ed by British buyers. Bauxite. This is still the main foreign exchange earner, but de-mand has fallen with the recession and the increased amount of alu-

minum being recycled in the Unit-ed States. Already two of the three major mining companies have cut back their operations. Tourism. This is one sector that is picking up, but Jamaica seems to attract backpackers on low budgets rather than the wealthy, who were lured away to the Bahamas and Bermuda and

# On Protectionism

## **Advice on Steel**

From THE WASHINGTON POST

A word of advice on the steel cases: Do not get entangled in the numbers. Some of them are more or less spurious, and some are already obsolete because of currency factors.

The issue here is not whether a certain mill

in Belgium might be producing steel plate at a price that is 5.17 percent below "fair value," as defined in a notoriously quirky American statute. Nor is the issue whether the Europeans are entitled to the 5.754 percent of the U.S. market that the secretary of compares. Majoring affected in a quictary merce, Malcolm Baldrige, offered in a quota agreement that the U.S. industry rejects.

The first real issue is unemployment in the steel towns, and how it is to be divided among a number of countries in which unemployment is rapidly rising.

The second is who is to carry the blame in

the anguishing process of laying off labor, closing mills and writing off losses. It is always tempting to blame the foreigners with their nasty foreign ways.

The world's steel industry has built far

more capacity than it can use. The present slack is not merely the result of the recession. It is true that the Europeans undertook a vigorous expansion of steel production, under government leadership, not long ago.

The efficient new mills were supposed to replace the old ones but, for the usual reasons, governments in most countries have been slow to shut down the old ones.

That is an example, incidentally, to keep in mind the next time someone tells you about the wonders that national industrial policies have accomplished for Europe, and how badly the United States needs one. Picking the winners among a future decade's industries is not quite so easy as it is cracked up to be.

The American steel industry is now engaged in a kind of guerrilla warfare through the hedges and brush of the American legal system. It knows that its fortunes do not depend on the small share of the market that the Europeans precariously hold.

But it also knows that these tactics generate severe trouble for the Reagan administration in its foreign policy.

What is it that the industry really wants? Perhaps it is after even tighter quotas on the Europeans. But even Secretary Baldridge's offer of 5.754 percent would have set a bad precedent. Perhaps the industry wants broad-er quotas on all imports, regardless of dump-ing and regardless of source. That would be

But the most harmful consequence of this campaign against foreign steel is purely domestic. It leaves the American companies' employees, their stockholders and the unions under the impression that somehow the government can restore them to their previous prosperity. That, unfortunately, is incorrect.

# The Auto Content Trap

The problem, for 200,000 unemployed American autoworkers, seems straightforward: Japanese imports. And what they propose to do about it is simple: Under a bill co-sponsored by a majority of the House, com-panies selling more than 500,000 cars in America would have to manufacture them with 90 percent American parts and labor; those selling more than 200,000 cars would be required to use 75 percent local content.

Fortunately, this "Fair Practices in Automotive Products Act" stands little chance of passing the Senate. It would rock the foundations of world trade, probably destroying as many jobs as it creates and reducing living standards in the United States and abroad.

There is a danger, however, that some form of protectionism for antos will yet slip through Congress in this election year costing American consumers billions and seriously damaging the Western alliance.

The United Automobile Workers contend

that "local content" legislation is long past due. The union notes that Western Europe notably Italy and France - admit only token numbers of non-European autos without having provoked retaliation by Japan. It wants no restrictions on smaller foreign manufacturers, but would like to compel giants like Toyota to follow Volkswagen and Renault into American plants, creating American jobs and giving Detroit a fair fight.

But Japan's economic relationships with Europe are not analogous to its relations with the United States. Japan and the West Eurocans are friendly rivals, exporting many of

the same industrial products. Japan's trade with the United States is largely complementary, an exchange of American foodstuffs and raw materials for "middle-technology" manufactures. Then, too, American trade with Japan is more than a commercial relationship. It is the economic

Within the Middle East it is now seen that

the [U.S.] administration has the leverage

over Israel, and the will, reluctantly, to use it.

It is also seen that Israel obeys, though possi-

bly at the expense of what she feels to be her

on Arab states, particularly the Saudi Arabians. They would be unwise, however, to think

that such arm-twisting can be easily induced

has always given Washington such leverage; but it has also reflected the profound strate-

gic and emotional commitment which has

been a constant factor of American diploma-

cy for 35 years. That constancy, in spite of

The Israeli aim from the very start of the

summer offensive was to remove the Syrian

Army from the whole of Lebanon as well as

Mr. Begin has publicly confirmed that he is

- The Times (London).

the carnage in Beirut, is likely to remain.

The degree of American support for Israel

There is a moral here which will not be lost

Leverage Over Israel

best immediate interests.

from American presidents.

the PLO from the capital.

great non-Communist powers of the Pacific in a strategically vital way. In the crudest economic terms, Japan's losses from a local-content law would not be matched by American gain.

glue in a political bond that links the two

To be sure, two or three giant new Japanese plants in America, plus increased production by Detroit, would put perhaps 200,000 Americans to work. But they would largely displace most of the 160,000 other Americans who now sell, service and transport cars manufactured in Japan.

American consumers, meanwhile, would pay dearly for the "Made in USA" label on Japanese autos. A strict local-content rule would force some Japanese manufacturers out of the American market altogether. Others would need to concentrate on a few models to meet the 90-percent requirement. And as Japanese car makers absorb the higher American production costs, car prices would rise, in the estimate of the Commerce Department, by about 10 percent.

It is precisely this cost problem that has led Detroit to transfer some of its minor divisions to low-wage plants in northern Mexico. The most disturbing aspect of all such pro-tectionist legislation is that it would not long be confined to automobiles.

The worldwide recession has created great pressure to protect jobs in every industrial country. Why would Japan (or. say, France) keep on importing American aircraft or chemicals or tractors when millions of its own workers are unemployed?

Neither the Senate nor President Reagan favor the autoworkers' bill. But a "compromise" that sets more modest local-content rules could prove tempting, particularly to a besieged Republican majority in the Senate. Once started down that road, Congress will find it increasingly difficult to stop.

The Lebanese bomb, in short, has many

Thirty-seven years since the war ended, the

Japanese people — more than half of whom were born after the war — are being reminded anew of the terrible sufferings their nation

Under a postwar constitution that re-

nounced war, our nation has prospered, and

in recent years we have tended to be forgetful

The current Asian criticism of Japan's

revised history schoolbooks does not center on the Education Ministry's screening sys-tem, but rather on the ministry's "sense of

history" in rewording accounts of Japanese acts of aggression in Asian countries.

West Germany, which has a schoolbook

inflicted on other Asian countries.

of our responsibilities for that war.

- The Sunday Telegraph (London).

# West Beirut: A Worried Look Into the Future

BEIRUT — This is a city of broken concrete, flattened apartment buildings and death. Once-busy streets are now impassable because of rubble and shell craters. Whole neighborhoods are gone. The products of lifetimes of work are gone, often obliterated in seconds by a

2,000-pound Israeh bomb.

Some of the wounded have lost arms and legs and some of the dead are mutilated beyond rec-

In little more than two months, the Israelis have inflicted damage on West Beirut and southern Lebanon to a degree that makes the year and a half of civil war in 1975-76 seem

The horror of this war is matched only by the fear of tomorrow or the day after, should the Israelis, as many here still fear, decide to wipe out mostly Moslem West Beirut.

The dreamest thought for many is that all this is only the beginning. Before the Israeli inva-sion, Lebanon seemed doomed to constant firefights, to shelling exchanged across some no-man's land and to political struggles that seemed to make little sense.

Now, assuming Israel halts its advance for

good. Beirut and southern Lebanon face occu-pation, the agony of reconstruction and a political fiasco that could lead to another civil war. There are already signs that the Israeli inva-sion may have opened a Pandora's box.

By J. Michael Kennedy

Already visible is a heavy-handed attitude by the Christian Phalangist Party, Israel's ally against the Palestine Liberation Organization. In the two months since the Israelis entered Christian East Beirut to cheers and a showering of Course the Phalangist heavy and as showering a flower the Phalangist heavy and a showering the coast will be clear for the trouble to start again. The battle of West Beirut is far from over. of flowers, the Phalangists have exerted more

muscle than statesmanship.

After being cornered in a small pocket of Lebanon for the last six years, the Phalangists are letting power go to their heads.

Phalangist leader Bashir Gernayel wants to

be president of Lebanon, and members of his militia have moved into villages in the wake of There have been ganfights and reports of people who suddenly disappeared with the ar-

val of the Phalangists. The Moslems of West Beirut are almost sure there is trouble ahead that could perpetuate political instability and foil attempts to rebuild the country. The people in the western sector worry about what will happen when the inter-

national peacekeeping force, scheduled to over-see the PLO withdrawal, finally departs itself. The Lebanese Army will supposedly be the peacekeeper then, but its history of failure in the past raises doubts.

"I am more worried about what is going to happen after the multinational force leaves,"

The battle of West Beirut is far from over.

"Just between you and me, the best thing might be to elect Bashir [the Phalangist leader]. If he were president, he might try to act responsibly: If he isn't, look out." There are fears by some that the Israelis, after the PLO and the international force are

gone, might enter West Beirut after all to finish off the job as they did in southern Lebanon.

In the weeks that have followed the Israeli occupation in the south, thousands have been arrested, including many Lebanese, and taken

to detention camps.

Even in the best circumstances, rebuilding the country will be a slow process because the

destruction is so vast.

No one here is willing even to guess how much reconstruction will cost. One Lebanese banker said that minimum construction time for a small building is two years. "And if the political scene is bad, then it will be many more years," he added.

About half of West Beirut, which normally

has a population about the size of San Francisco, has either been destroyed or badly damaged, and hardly a building lacks some scar. "We will have to have new construction on a massive scale," said an American University economics professor who asked that his name not be used. "We can work fast, but what we need first is a viable political settlement.

"If you tell me that the Israelis are going to be here for another year, if you tell me they are going to continue shelling, then why rebuild a house?" he asked.

house?" he asked.

In these circumstances, little money has been pledged for reconstruction, and Lebanon's policical future remains uncertain.

But there are immediate needs that will have to be faced. The most important of these right now is food and water, both critically short in West Beirut. Shelter for the homeless could

quickly become just as urgent a need.

In the stifling days of August, when rain never falls, people can survive without shelter. But the rainy season begins in October and thousands of Lebanese and Palestinians no longer have a home.

And at the moment, and especially in Beirut, there is little planning under way for the future.

It is hard to think about the future — even the immediate future - when the task at hand is just staying alive.

The author is the Los Angeles Times' correspondent in Beirut.

> The press in much of the Middle East has become increasingly hostile toward the United States, accusing

the White House of wringing its

hands but not doing much else to restrain Israel. The normally pro-Amer-

ican Egyptian press has taken on a sharper tone than at any time since

"The United States is an accom-

plice in all the heinous atrocities per-

petrated by Israel," the Egyptian Gazette wrote, "As such, the United States cannot hope to gain the sympathy and goodwill of the Arabs."

The Arab world has been particu-

larly shocked by Washington's ab-stention or veto in almost every Unit-ed Nations Security Council vote crit-ical of Israel's conduct in Lebanon,

especially the abstention from the 14-

0 vote that called for lifting the block-

"Washington's role might have been easier to take in this whole, sad

affair if it had just made the symbolic gesture of taking just one morally acceptable position in the UN," said an Arab scholar who is usually sympa-

"I was educated in America. I be-lieved all those things that the United States was meant to stand for — and

now I find out Washington doesn't stand for them at all."

It would be difficult to find an

Arab who believes President

Reagan's statement that the Israeli

invasion took place without Washing-ton's knowledge or approval. Wash-ington and Jerusalem are perceived here as partners in the destruction of

Lebanon, and the words coming from

the White House have not dispelled

the belief. The Reagan administra-

tion has lost the trust of friends like

ington? On the substantive level,

probably very little. The Arab world

is too disunited and too preoccupied

at the moment with the spread of

What will this loss mean to Wash-

thetic to the United States.

ade of West Beirut.

the 1973 Arab-Israeli War.

Lebanese Casualty List

Includes U.S. Credibility

By David Lamb



# How Reagan Helped Create His Own Opposition

WASHINGTON — President Reagan's extraordinary skills in using television led to his being dubbed "The Great Communicator." But a careful look at his performance so far reveals another characterization that may prove more lasting -

Reagan as "The Great Legitimizer."

The president is bringing to the surface and "legitimizing" a new political agenda — an agenda that would, if adopted, signal the countries of the countries try's ultimate rejection of the president's own deeply held views.

Why is this happening? Because Reagan has chosen to govern by ideology. He rejects the traditional presidential path of seeking national consensus. Instead, Reagan remains committed to an ideology that is substantially to the right of most citizens. As a result, new movements are

gaining momentum. They are providing new ways to look at old issues. And they are increasingly diminishing this administration's ability to set the agenda for the 1980s. Take four examples:

1. Nuclear arms policy. After decades of leaving it to the experts, the United States is at last engaged in de-bate over the paramount issue of our times - nuclear arms and the risk of nuclear war. An extraordinary grass roots movement aimed at ending the nuclear arms race is sweeping the country. The nuclear freeze movement, Physicians for Social Responsibility, Ground Zero and others have played a vital role in attracting millions of previously uninvolved citizens to this battle.

But can anyone doubt that Reagan himself is the father of this move-

By Fred Wertheimer The author is president of Common Cause.

ment, the principal force in unleashing the outpouring of concern? Where, after all, was this national outcry for arms control in 1979, when the SALT-2 treaty was before the

U.S. Senate? The president's early hard-line policies and harsh thetoric have triggered a nationwide nuclear arms control movement that is going to be

with us for many years to come.

2. Fairness. The 1970s were a period of growing middle-class resentment toward the less fortunate. Withinflation squeezing everyone, many Americans came to believe that government programs were unfairly tilting toward the poor at their expense.

Reagan's policies have dramatically changed this political dynamic. His budget cuts have focused most on curtailing benefits to the poor. His for military outlays. tax cuts have focused most on providing benefits to the wealthy. His 1981 tax bill has turned out, in fact, to be the greatest government-sponsored income redistribution program in history — though not in the traditional

sense of the concept. You do not find too many people today accusing the Reagan administration of unfairly tilting toward the poor. Instead we are seeing the emergence of a shared concern between the middle class and the poor over government policies that unfairly tilt toward the wealthy. And it is this question that is going to be a central issue in the 1982 national elections

and the Congress that follows. The issue already has led the Re-

publican-controlled Senate, belatedly backed by the president, to pass a tax reform bill that closes a number of corporate and individual loopholes. ernment in our lives. a bill liberal Democrats would have been proud to call their own a few

is taking place. We are seeing brought back into national perspective the fact that government plays a positive role — as well as a negative one.

Ronald Reagan came to the White

House with the view that government

ernment services.

abolish government. They want a leaner, more efficient government. Reagan's absolute anti-government

The 1980 election, in short, was a mandate for problem-solving change

This disillusionment culminated in Reagan's candidacy, which attacked government head on. His victory brought to center stage what is likely to be the core domestic debate of the 1980s: how to reshape the role of gov-

AIRO - Regardless of how the

ed States' image and credibility in the Middle East have been tarmished far more seriously than officials in Wash-

ington seem ready to admit.

local press did not report.

war in Lebanon ends, the Unit-

In recent days a mob stoned the

U.S. Embassy in Damascus; 50,000 people, including government officials, marched in Kuwait shouting

anti-American slogans, and police in

Cairo broke up a rally with anti-

American overtones, an incident the

But as this epic debate has started to unfold, a remarkable development

is inherently evil. He continues to hold this view. He argues that the private sector holds the answer to all our problems, and seeks to end basic gov-

But most citizens do not want to

views are, in fact, helping re-educate Americans about the legitimate benefits of government. And they are serving to count him out as a leader in the effort to shape government to the needs of the 1980s and beyond.

in America. It was not a mandate for rigid ideology. Reagan's refusal or inability to recognize this, as much as anything else, is rousing the broad center against him and creating historic opportunities for others to redefine the national agenda.

As a result, it is starting to look like the Reagan presidency may be best remembered not for the ideas it espoused but for those it legitimized. The Washington Post.

Some countries, such as Libya and Knwait, have called for sanctions against the United States, but the general response of the Arab world has been remarkably muted. Certainly nothing of the magnitude of the 1973-74 oil embargo will result

Islamic fundamentalism.

from the Arabs' displeasure with Washington. Nor is it likely that the Soviet Union will be able to capitalize on Washington's uncertain rela-tions with the Arab world. Except for some cables of encour-

agement, Moscow abandoned the Palestinians in their hour of crisis and sat back while Israel destroyed Syria's Soviet-made air-defense system. The Soviet Union also continues to be excluded from any Middle East peace process — an exclusion that the United States arranged with the Camp David accords.

In many ways no one will leave the war in Lebanon with clean hands. The Arab nations supported the Palestinians with nothing but words. The Palestinians held half a million civilians hostage in West Beirut. The United States proved itself incapable or unwilling to control the war ma-chine it had created. And Israel, no longer a defensive power, expressed little concern over the thousands of civilians who died in its "Peace for Galilee" campaign.

The author is the Los Angeles Times' correspondent in Cairo.

#### screening system similar to Japan's, reportedly consults its neighboring countries on the contents of geography and history subjects in West German schoolbooks. Japan should emiles the second of the after the removal of the Syrians as well as ulate this example. - The Yomiuri Shimbun. Arafat's guerrillas.

AUG. 16: FROM OUR PAGES 75 AND 50 YEARS AGO

Other Editorial Opinion

spluttering fuses.

**37 Years After** 

1907: What for France?

PARIS — After the recent meeting of Kaiser Franz Josef and King Edward VII at Wilhelmshohe, Austria, the monarchist newspaper Gaulois sounds a note of pessimism:

The result of the 'imperial' interview will be a continuance of peace, by which all the powers will profit: England's commerce will thrive, Germany will obtain new openings for her trade and her people, Austria-Hungary will develop her new political bases, Russia will develop her new political bases, Russia will recover her forces, Italy will develop her finances and her youthful industries, and Spain will shine in her renascence. But what will France gain by it? Anti-militarism, paci-fism and internationalism, with Socialism, Communism and humanitarianism, disarm us against the foreigner.

## 1932: Olympic Brilliance

LOS ANGELES — After flaring brilliantly for 15 days and nights, the Olympic torch surmounting the huge track and field stadium was extinguished. The 10th Olympic Games was extinguished. The four Orympic Games ended with a simple ceremony almost belying the remarkable success of the international games. Not until 1936, probably at Berlin, will a similar flame be rekindled. Gate receipts were well above the expected figure. No review of the Games can avoid the repetition of the word "record." Twenty world re-cords in athletic endeavor were set. The final point score, on the American system, was United States, 747; Italy, 284½; Sweden, 166; Finland, 161½; France: 156½; Germany, 155; Japan, 148; Great Britain, 144; Hungary, 112½, and Canada, 103.

IOHN HAY WHITNEY (1904-1982), Chairman KATHARINE GRAHAM and ARTHUR OCHS SULZBERGER, Co-Chat

PHILIP M. FOISIE WALTER WELLS ROBERT K. McCABE SAMUEL ABT CARL GEWIRTZ

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LER W. HUEBNER, Publisher ROLAND PINSON RENE BONDY FRANÇOIS DESMAISONS RICHARD H. MORGAN

Associate Publisher
Derector of Function

right that Yugoslavia swore to uphold when it signed the UN Declaration of Human Rights. That the drama over the arrests

# demned for doing the same for anoth-

BELGRADE — A controversy over democracy has enumed in this Communist capital which threatens to pit liberal Federal Party members against the hard-line gener als who run the country.

The example of Poland has not gone unnoticed in Yugoslavia - ei-

ther by those who seek greater liberalization or by those who urge greater repression. The developing struggle over the political character of Yugoslav society is perhaps the most important event since the death of Tito. Everything began last month. At a vast, officially organized youth rally to lend support to the Palestinians, eight young people raised Solidarity banners above their heads, a clear reference to the Polish union.

The police moved in quickly, ar-resting the eight, destroying their banners and beating two of them in public. All were later jailed, some for up to 50 days.

During the first week of August, at busing the first week of Anglist, at the same spot, there was a repeat demonstration. Another Solidarity banner was raised—this time written in Polish. Alongside was a placard calling for the release of the eight pre-viously arrested. This time there was no violence, but another eight persons were arrested and jailed, although for slightly shorter terms.

These incidents may seem trivial.

But they are gathering importance. Increasing numbers of citizens are protesting the arrests. Those arrested comprise a fair cross-section of the youthful Belgrade community. There is a well-known Marxist professor, a sociology teacher, a scientist, a poet, an unemployed worker, a student journalist and stu-dents. That the drama is taking place in the nation's capital has special sig-nificance for the rest of the country.

Intellectuals see the key issue as the right to freedom of opinion and expression. That right was written into the nation's constitution. It is also a

was focused on Polish Solidarity banners at a raily for Palestinians was not lost on anyone. management and nonaligned policy

# The Developing Battle to Liberalize Yugoslavia By Petar Hadji-Ristic

ly nonaligned country that citizens for a democratization of Yugoslav socould protest against a military dictactiety, force achieved nothing and torship in one bloc and be constate intervention should be kept to a er bloc," asked a group of leading cultural figures in an open letter sent 10 leading newspapers, but not yet published. Copies of the letter have been privately circulated.

The alleged use of the country's laws to circumscribe constitutional rights also has brought criticism. The first group of students were jailed for "belittling the socialistic, patriotic and national feelings of citizens."

But most of the 70,000 young peo-

ple at the rally, which also featured rock music, probably supported the Polish people. Their newspaper, Student, has been the most vocal in the country on this issue.

Two of the nation's best-known philosophers — Ljubomor Tadic and Svetozar Stojanovic — filed a citi-zens' complaint to protest the beatings. Tadic's young son, Borisi, went last week to the site of the original demonstration to show his solidarity with the imprisoned demonstrators

and was sent to jail.

All this is taking place against a backdrop of larger issues. Sources close to the arrested say they were aware of an internal Federal Party document for the party's presidium, which was circulated last January only weeks after the suspension of Poland's Solidarity trade union and the imposition of martial law. The document described the Solidarity movement as progressive and criti-cized the military government of Gen. Wojiech Jarulzelski.

Last February, a public demonstra-tion in favor of Solidarity was held in the republic of Slovenia, Some sources suggest that Mitija Ribicic, a major liberal figure in the Federal Party,

was behind the protest. He is now president of the party. The party's position was explicitly stated two months ago by Alekandar Grilickov, a member of the presidi-um. The right to freedom of expression was absolute, critics could freely exist as long as they accepted the self-

short years ago. It has also set the

stage for a new national debate about

fundamentally restructuring the tax system. And it has raised a whole se-

ries of concerns about how the bur-

dens of sacrifice can be more equita-bly distributed during periods of eco-

3. Military Spending. Reagan's rig-i insistence on enormous military

budgets in difficult times has been

successfully carried out so far. But it

has been done at a heavy cost: He has

shredded the security blanket that "national security" always provided

cal persuasions will seriously ques-

tion the military budget. They will do

so free of instant vulnerability to the

charge that they are anti-defense or

long dominated the issue of military

spending still holds the high ground.

But it appears headed for its first se-

rious challenge, and perhaps for the fight of its life, in the years immedi-

4. Government. The Vietnam War,

Watergate and a steadily worsening

economy all served as major factors

in making the past two decades a pe-

riod of intense citizen disillusionment

The powerful coalition that has

naive about national security.

ately ahead.

with government.

As a result, candidates of all politi-

nomic austerity.

minimum, he said. Some newspaper editors have joined the battle to liberalize Yugoslav society, and have transformed the press over the past year. These editors would be quick losers should conservatives in the party prevail.

Some sources believe that Gen. Nikola Ljubicic, the country's president, lost patience with liberalization. The

press, according to these sources, has become too liberal for Ljubicic's liking. He is said to support the arrests. Two magazines — Nin and Knizevnja Rec — have opened their pages boldly to some of the protest,

About Indonesia

And the statement, "The rest of In-donesia is Moslem" overlooks large Christian and Hindu minorities.

## **Unfunny Situation**

Regarding "Coffee and Croissants in Zurich" (IHT, July 27): It is a rare occasion to read an article in the IHT

The recent editorial by Hans rocking, frugal folk, which should replain why newspaper bold-type is reserved for unemployment statistics and not for royal births of foreign resistances is the norm among Russian officials and that "The graff manners begin at Moscow's modern airport." What my wife and I experimonarchs-to-be.

including a brave letter from the editor of Komunist, Dusan Bogovac, A Serbian Central Committee inquiry has been called to probe how all this was possible.

Last week, there were more arrests.

One of those jailed was Nebojsa Po-pov, a member of the well-known

Praxis group of philosophers and sociologists. Tito, ever sensitive to the country's reputation, never dared jail one of these intellectuals. Popov's imprisonment - if only for 30 days - was symbolic. But for some intellectuals, it was almost like the crossing of the Rubicon.

The author, Belgrade correspondent for The Observer of London, wrote this article for the Los Angeles Times.

# LETTERS TO THE EDITOR

Regarding "Famine No Longer Haunts Timor" (IHT, July 14): Indonesia did not seize "Portugal's half of the island," but a newly independent nation.

> STEPHEN SULOWAY. Kyoto, Japan.

about Switzerland. This makes it all the more disappointing that the few articles printed seem more intended as comic interlude than serious reporting.

Moser is a case in point. The Swiss —
as stated by Mr. Moser's friend — are
indeed a "freedom-loving, dull, hardworking, frugal" folk, which should explain why newspaper bold-type is reserved for unemployment statistics and not for royal births of foreign

lation, in a country accustomed to full employment it is disturbing, and even more so if one considers it represents a 300-percent increase in unemployment over the past 12 months. PHILIP GRIMA.

## **Even Tintin?**

Regarding "Never Again With a Bi-cycle!" (IHT, July 3): The Belgians are not likely to thank Mr. Eric New-by for ascribing institutions like the Wagon-Lits and "Tintin" to French

They are both as Belgian as "moules frites": La Compagnie Inter-nationale des Wagons-Lits et des Grands Express Européens is Belgian and Herge, a Belgian, created Tintin, Milou et al. B.R. VAN DER STEENHOVEN.

Howald, Luxembourg.

Rude in Russia -

We visited the Soviet Union for the first time two months ago and were immediately surprised to find Customs and immigration somewhat less stringent than they are for a foreigner

entering the United States.

A polite Intourist girl quickly changed our internal hotel and flight

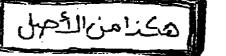
reservations, and gave us a refund, though an English travel agency warned us this would be impossible.

We were well-served in our comfortable, if faded, hotel, and we traveled for the server of th valed freely and very cheaply by each system of public transport available in Moscow without experiencing unprovoked rudeness. We did not use an Intourist guide

and no one suggested we should, and our bedside lamp was not bugged. SIR JOHN WHITMORE

## Baker-kranz

Russell Baker's "Oh, What a Cheesy War" (IHT, Aug. 4) was highly amusing. However, he should know that Liederkranz is a cheese of American origin and could not be sent back to Germany as it never Mis J.W. MELLON came from there



# **Chinese Press Marks** Japan's Surrender by **Attacking Textbooks**

Compiled by Our Staff From Dispatches PEKING — Revised Japanese histories of atrocities in China pose a threat to the Chinese people. Chinese press commentaries said Saturday. The commentators said a retrogression in Chinese-Japanese relations is possible. But in statements to mark the

37th anniversary Sunday of Ja-pan's surrender at the end of World War II, the press urged a common effort to stop a "revival of Japanese militarism" and to consolidate the two nations' friendship.

The comments in the Chinese media came only one day after two Japanese officials left Peking without resolving the controversy, which has also angered South Korea, North Korea and other Asian nations that were occupied by Ja-pan's former Imperial Army, Japanese sources said little progress had been made in the talks, during which the Chinese media attacks stopped.

#### Criticism in Japan

Major Japanese newspapers attacked the government of Premier Zenko Suzuki on Saturday for its handling of the affair. "Suzuki will be guilty of contemptible procrastination if he decides to state his position only after anti-Japanese demonstrations erupt abroad," the Yomiuri Shimbun said in an editorial entitled "Suzuki's silence."

Mainichi Shimbun criticized the government for authorizing what the newspaper called unjustifiable

The Japanese education minister, Heiji Ogawa and top ministry officials held an emergency meet-ing to discuss ways to defuse the

controversy, Education Ministry sources said. The sources said the ministry was still refusing to amend the textbooks but had agreed on the need for measures to satisfy China and South Korea.

Another Japanese government source said the government was considering sending a senior offi-cial to Seoul in an attempt to solve the dispute. Earlier this month South Korea rejected such a move

In Seoul, about 12,000 people protested over the textbook issue in a demonstration to mark the 37th anniversary of independence from Japan. Police held back hun-dreds of relatives of victims of Japanese atrocities during the 36-year

Chinese television broadcast a film Saturday on Japan's actions during the 1937-45 occupation of China The television commentary condemned "distortion of historical truth in textbooks."

An advance copy of the Sunday editorial in the People's Daily said the Japanese Education Ministry was trying to make fools of the Japanese people by revising text-books to make them "forget the disasters brought to them by the Japanese militarist aggression."

"This attempt is also a provocation and threat to the Chinese people and peoples in the Asian and Pacific region," the Communist Party newspaper said in the edito-rial. It accused unidentified Japanese of trying to lead Japan "to the old path of militarism" and said whitewashing of the war in new textbooks is "an intolerable step."

# U.S. Black Migration To Suburbs Was Record

By Robert Pear New York Times Service

WASHINGTON — Blacks moved from cities to suburbs in record numbers in the 1970s, but experts disagree over whether the migration signified an improve-ment in social and economic posi-

The black population of the suburbs rose from 2.8 million in 1960 to 3.6 million in 1970 and nearly 6.2 million in 1980, census figures

William P. O'Hare, a demographer at the Joint Center for Political Studies here, said: "A vast majority of the blacks who moved to the suburbs during the last decade came from central cities."

The proportion of blacks living in central cities declined in the 1970s for the first time in many

Larry Long and Diana DeAre of the Census Bureau noted in a study that 57.8 percent of the black population lived in central cities in 1980 as against 58.2 percent in 1970. A central city is the hub of a metropolitan area; it includes all the territory within the political boundaries of a city.

The black population of four large central cities — Washington, Philadelphia Cleveland and St. Louis — declined from 1970 to 1980. Mr. Long described that as a "big surprise." He attributed it to "combined effects of the suburbanization of blacks and the declining rate of migration from the rural South to the urban

In an interview Friday, Mr. O'Hare said: "During the 1970s, for the first time ever, the numerical increase in the suburban black population was greater than the numerical increase in the central city black population."

In a study for the Department of Housing and Urban Develop-ment, Mr. O'Hare noted that in 1970 blacks constituted about 4.8 percent of the suburban population, and that a decade later that figure had reached 6.1 percent

In 1980, 23.3 percent of all blacks lived in the suburbs, 57.8 percent lived in central cities and 18.9 percent lived in nonmetropolitan areas. "Until the past decade," Mr. Long said, "the percentage of blacks who lived in central cities had been growing. Now the black population is growing more rapidly outside the central cities

Mr. Long said that the movement indicated "an increasing level of integration" in the suburbs. But Mr. O'Hare disagreed, saying, "the increased rate of black suburbanization is more an indication of 'spillover,' or the extension of city neighborhoods into the suburbs. han of upward black mobility into racially integrated suburbs."

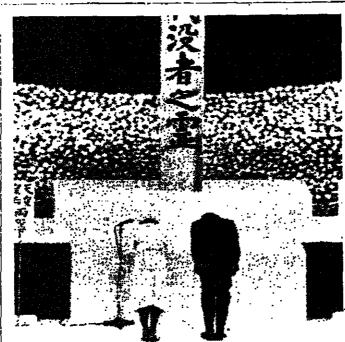
Dwight L. Johnson, a Census Bureau analyst of racial data, said: Suburban does not mean middlewho live in suburban areas are below the poverty line."

Mr. Long said that the evidence seemed to support the "spillover hypothesis" for Cleveland, Chicago and Detroit but not for Philalphia, Washington and St. Louis. In the second group of cities, he said, there was a substantial growth in the black population of suburbs beyond the inner ring adjacent to the central city.

The proportion of all blacks living in central cities has declined slightly since 1970. But Mr. O'Hare said: "Blacks now comprise a much larger percentage of the population of the central cities because whites have continued to move out of those cities at a much faster rate than blacks."

The number of central cities with black majorities increased from two in 1960 to 10 in 1980, he

As blacks move to the suburbs. Mr. O'Hare said, the populations of central cities are increasingly "polarized between the very poor and the affluent." The poverty rate among blacks living in central cities, he said increased from 26 percent in 1970 to 32.3 percent in



WORLD WAR II SERVICE -- Crown Prince Akibito and Crown Princess Michiko of Japan honored 2.5 million war dead at Tokyo's Martial Arts Hall on Sunday. The Japanese were marking the 37th anniversary of the end of World War II. Emperor Hirohito was ill and did not attend.

# From Riches to Rags In Canada Mining City

By Michael T. Kaufman

New York Times Service SUDBURY, Ontario — The Manoir Bar sits on the floor of a valley that was gouged out by a meteor millenia ago. Until two months ago the men drinking in the Manoir worked for two large companies and earned some of the highest industrial salaries in Canada by digging and processing the ore churned up by that meteor.

Now, over beers, they tried to explain to themselves and to a visitor how this recently prosperous city had become the place with the highest unemployment in Canada, in the Northern Hemisphere and, some said, in the industrialized

Last month the two giant nickel and copper companies around which this city of 135,000 grew, shut down operations and furloughed their workers because their stockpiled supplies far exceeded the demands of industrial users in the United States and Eu-

rope. The 1,250-foot stack at Inco, which in flush times propelled ace-tic smoke all the way to Nova Scotia, now stands dormant like a stele from a lapsed civilization. The 13,000 miners and mill workers who in recent years have earned salaries averaging from 20,000 to 40,000 Canadian dollars a year (about \$16,000 to \$32,000) are either using up the last of their vacation pay or are living on \$200

a week in unemployment benefits. In statistical terms, the problems here are awesome. The data-colclass. Nearly 25 percent of blacks lecting branch of government reports that unemployment in Sudbury stands at 21 percent of a workforce of 62,000, compared with the national figure of 10.9 percent. But Mel Soucie, the chief regional economist for the Employment and Immigration Division of the federal government, says that since this tabulation does not count those who are still technically receiving vacation pay but who are jobless and without immediate prospects of work, the real

figure is 40 percent.
"I can see it going to 50 percent before the end of the year," Mr. Soucie said, "and the only thing that can reverse the trend is a drop in the interest rate in the United States, which I can't see taking place no matter how much we

ight wish it." But in contrast to the dismal statistics, the mood at the Manoir Hotel was surprisingly jubilant.

"Hell man, its still summer and most of the men are enjoying their fishing and their beer, said John Gignac, a young miner and former labor leader who was being kidded for having bought a new video re-corder last week. Like many peo-ple here, Mr. Gignac is a secondgeneration miner and has pride in his community.

with a lot of people coming and writing things about the desolate moonscape and the slag heaps like we were the armpit of the conti-nent," Mr. Gignac said. "This is a fine place with all kinds of people cooperating — Italians, Ukraini-ans, French Canadians, Finns and I like living here and I hope my three kids will live here when they grow up."

"There's nothing wrong with Sudbury," he said. "What's in a mess is the economy, not just here but around the world."

"You blame the world economy but I got to blame the companies and the government," interjected Andy Artindale, who has worked for the last 14 years for Inco, the larger of the two companies.

I know they're in trouble and had to shut down but they invested a lot of millions in operations in Guatemala and Indonesia that they've had to put in mothballs," Mr. Artindale said. "They made the money here and they made stupid investments elsewhere. They should have put the money back here where it was made and doing something to diversify away from this one-industry situation.

You know I don't exactly love management, Andy, but how does the guy who miscalculated the world metals market differ from one of our sucker friends who went ahead and signed a mortgage that he won't be able to meet now?" Mr. Gignac asked.

The difference is that the guy who miscalculated on the mortgage only hurts himself and his family while the company's mistake hurts all of us and the guys who made it are probably still going to be eating pretty good restaurant food in Toronto," Mr. Artindale replied.

"You got a point," Mr. Gignac

Actually, both Inco. which for years dominated the world nickel market, and the somewhat smaller Falconbridge Nickel Mines Ltd. have suffered cuts in their administrative staffs as things turned from bad to worse to awful.

The men in the suburban tavern conceded that they were protected to a large extent by the cushion of social welfare benefits that are far more extensive than in the United States. Almost all the idle workers are entitled to at least 52 weeks of unemployment checks of \$200.

In addition, Inco and Falconbridge are paying about \$50 a week in supplemental payments to the furloughed workers. Then there are the child welfare payments that are paid by the govern-ment to all parents. A family with three children may receive as much as a \$100 a month in such grants. For the old and the poor there is a system of rent subsidies, and the elderly have their municipal taxes paid by the federal government.

# **Bonn Considers Plan** For Women in Army

By Harry Trimborn

Los Angeles Times Service BONN - The West German De-BONN — The West German De-fense Ministry, alarmed at the ad-verse effect of a sharply declining birthrate on military manpower, is considering a controversial pro-posal to allow up to 30,000 women to serve as volunteers in the armed forces, starting in the mid-1980s. Yet, the legal experts rather than the military planners will probably have the final word, because the

West German Constitution seemingly forbids military service by An article in the constitution an article in the constitution states that women between the ages of 18 and 55, may, during an emergency, be assigned to "stationary" — not field — military hospitals if the needs cannot be

met by volunteers. But, it adds, women "may on no account render service involving

the use of arms." That's one of the problems we have," a Defense Ministry spokes-man said. "Does involving the use of arms' mean only the person who pulls the trigger or drops the bomb? Or does it also include an air traffic controller at a military airfield, or someone who pushes a button that launches a missile a mile away?"

The problem is compounded by constitutional interpretations that also state that women must not be exposed to direct enemy action.

Legal experts, the spokesman said, are now grappling with the issue, which may require a constinutional amendment before women can serve. They apparently will get no clear guidance from the public, which has been giving out mixed signals on the proposal

Many women have written us inquiring about career opportuni-ties in the armed forces," the De-fense Ministry spokesman said. "But women's lib groups are opposed to the proposal."

He said feminists maintain that there are many other areas in West German life in which discrimination against women should be eliminated before the question of military service is considered.

Others object to women in the armed forces on moral grounds. "Equal rights must not mean equal rights at any price," Lieselotte Funcke, a deputy speaker of the federal parliament, said recently. "Woman's role is to give life, not be obliged to take it.

Aside from Spain, the newest member of the 16-nation North Atlantic Treaty Organization, West Germany is the only NATO partner that does not permit women to serve in regular military units. It does, however, have more than 60 women physicians and other medical specialists in the armed forces holding regular military rank.

In addition, about 48,000 women work among the 180,000 civil-

These jobs, under the proposal to permit women military volun-teers, would remain in civilian hands. The most likely jobs for women would be in such roles as truck drivers and quartermaster

The proposal to permit women to serve was one of a number of recommendations made by a commission, composed both of civil-ians and the military, that was set up by Defense Minister Hans Apel to devise ways to maintain the quality and strength of the armed forces through the end of the cen-

tury.
He said the Defense Ministry noted that, because of the declin-ing birthrate, there will be a severe shortage of draft-age men, 18 to 28, to maintain present armed forces strength of about 495,000 in the coming years. West Germany has the lowest birthrate in the world, according to government officials. The population, now at about 62 million, has been declining steadily since 1964.

The Defense Ministry said it

needs 225,000 conscripts each year to maintain military strength. It is drawing on the manpower pool of the 497,700 men born in 1962 to

meet this year's needs. The Defense Ministry has rejected a proposal by the civilian mili-tary commission to lower the age for volunteers from 17 to 16, but it is likely to approve a recommendation to extend compulsory military service from 15 to 18 months.

The ministry also has rejected a recommendation to tap a growing manpower pool, the children of West Germany's gastarbeiter — immigrant workers from southern

## Employees at El Al Protest Grounding

The Associated Press
TEL AVIV — Hundreds of employees of El Al Israel Airlines tried to drive a convoy of 126 cars into a heavily religious suburb of Jerusalem on Saturday to protest the planned Sabbath grounding of the national airline's flights, police officials said.

Officers manned roadblocks on the Tel Aviv-Jerusalem highway to prevent the cars from reaching the suburb of Ramot, but dozens of El Al workers got to the area anyway and were dispersed by the police, a spokesman said.

Prime Minister Menachem Begin decided to ground El Al on the abbath starting next mouth to fulfill a campaign pledge to his religious supporters in the government, the Agudat Israel Party. El Al employees say the decision will cost hundreds of workers their iobs and plunge the airline deeper into debt.

# A Swiss Village Declares Independence — in French

VELLERAT, Switzerland — With a symbolic border post and local passports, this mountain hamlet has declared itself independent.

As the 70 rebel inhabitants celebrated their self-imposed status as Switzerland's first "free commune" Saturday, more than 1,000 outsiders marched in to support the declaration and join the fes-

Vellerat, which occupies about one square mile (258 hectares) in northwestern Switzerland, is one of several French-speaking vil-lages in the mainly German-speaking canton of Bern that want to join the neighboring French-speaking canton of Jura. Its declaration means it will no longer pay taxes to Bern canton

or obey orders from Bern authorities, residents say.

Since the action is unprecedented, no one is sure how the Swiss government will respond to Vellerar's stand, for which 90 percent of the inhabitants voted last week. "What more can they do to us?" Mayor Pierre-Andre Comte, -27, asked rhetorically in a recent newspaper interview. After the vote, Vellerat's inhabitants built a symbolic border

post on the sole access road - which runs through Jura canton and printed passports valid only within the hamlet.

But a minority still opposed independence. Postal workers, who are federal employees, refused to cancel stamps printed to mark

the birth of the free commune. The independence declaration was the culmination of years of pro-Jura sentiment in Vellerat, which was left out, on a technicality, of a 1975 referendum that led to the creation of Jura canton

out of the large canton of Bern. Vellerat appealed repeatedly without success to be transferred to Jura, on which it depends for many essential services.

# **Emergency Declared** By Somalia in Ogaden

declared a state of emergency Sunday along the Ogaden border be-cause of an Ethiopian invasion of the area last month, Somali radio

The broadcast, monitored in Nairobi, said the decree did not affect the capital, Mogadishu, or other areas not directly involved in the fighting.

The state of emergency empowers the Defense Ministry and commanders in the battlefields to take over property if necessary. But Mr. Siad Barre warned military commanders at the front that they would be severely punished if

they used that authorization for

their personal gain. A Defense Ministry commu niqué issued Sunday reported heavy fighting between government troops and Ethiopian mecha-nized units at the border village of Balanballe, less than five miles (eight-kilometers) inside Somalia.

Ethiopian Losses Claimed

The communique said 232 Ethiopian soldiers and officers had been killed and nine tanks, nine armored personnel carriers and two troop transport vehicles destroyed. It said more than 350 Ethiopians had been killed in the past three

United Press International It said 64 Somalis had been NAIROBI — President killed and 157 wounded during the Mohammed Siad Barre of Somalia same period, including 39 soldiers killed in the fighting at Balanballe. But rebels fighting alongside the

Ethiopian invasion force claimed to have captured the Belet Uen highway, the only paved road between the Ogaden region and Mogadishu, which is about 200 miles to the southeast. The rebels said they killed more than 430 Somali soldiers and lost only two men.

Previous War

Between 1977 and 1980. Ethiopia and Somalia fought a fierce war over the Ogaden, a desert area mostly inside Ethiopia that is claimed by both countries. That war ended in a crushing Somali defeat by a combined Ethiopian and Cuban force.

The United States and Egypt have airlifted weapons to Somalia since the latest fighting broke out on July 1. On that date, Ethiopian tanks, aircraft and ground troops struck across the border on at least four fronts, according to Somali

Ethiopia denied these reports last month, saying it had no in-volvement in what it called Somalia's "revolution." It also lodged a strong protest over the U.S. aid, which the State Department said was in response to Ethiopian and Ethiopian-backed incursions into Somalia.

# PORTUGAL

# Investment opportunity in Naval Shipyards and similar Industries

Portuguese State wishes to contact parties interested in the negotiation of temporary leasing cession of the industrial complex named «SETENAVE - Estaleiros Navais de Setúbal, EP», by means of a contract to be established between the State of Portugal and a Company fulfilling the Reference Terms defined for the purpose.

These Reference Terms will be available to the interested parties at the Portuguese Embassies, at the Delegation of the Institute of Foreign Trade and the Portuguese Banking Branches and Representative Offices abroad and in Lisbon at the Secretary of State of Finance and Industry, and in Setúbal at the SETENAVE, P.O. Box 135 - Setúbal, Portugal, Telex 13 143 - SETENAV P, Telephone 20100.

The interested parties have to submit to «Secretaria de Estado das Finanças - Comissão Setenave», in sealed envelopes and not later than September 15, 1982 their letters of intent of bidding for «SETENAVE» exploitation, accompanied by the documents deemed relevant for their pre-qualification, including as obligatory, those which give the profile of the Company: articles of association, board, balance sheets reports and operating accounts covering the last three years, industrial equipment of their own, references as to shipping and naval experience and other areas directly connected hereto.

THE COMMITTEE

# Thruston B. Morton, 74, Former Senator, Dies

By Dorothy J. Gaiter

New York Times Service

NEW YORK — Thruston B. Morton, 74, a former U.S. senator and representative and national chairman of the Republican Party. died Saturday in Louisville, Ky., after a long illness.

Mr. Morton, a descendant of

Kentucky pioneers, represented the Louisville area in the House

from 1947 to 1953, when he be-

came an assistant secretary of state, a post he held three years. In 1956 he was elected to the Senate. His brother, Rogers C.B. Morton, who died in 1979, was a con-gressman from Maryland, secretary of the interior in the Nixon administration and Republican na-

tional chairman. Thruston Morton, a legislator of considerable prestige and forti-tude, was at the peak of his influ-ence after more than a quarter of a century of public service, when, in 1968, he abruptly decided not to

seek re-election to the Senate. "To use an old Kentucky expression. I suppose I am just plain track sore," he said. It was later learned that he was in ill health. A close associate described him as profoundly depressed by the Viet-nam War, urban violence and what he regarded as insufficient nationadership. He lined up at times with liberal Democrats on Victnam and the civil rights move-

At first he had embraced President Lyndon B. Johnson's Viet-

ed as the war eroded the national pride and prestige. In 1968, he suggested that Johnson decline to seek

of Minnesota campaigned for the Democratic nomination for the presidency that year, he included Mr. Morton among those he would consider naming secretary of state. Mr. Morton was a co-chairman of the campaign of Gov. Nelson A. Rockefeller of New York for the Republican nomination for presi-dent that year, but after his candidate's loss to Richard M. Nixon at the national convention, he joined

the Nixon campaign.
Thruston Ballard Morton was born in Louisville and graduated from Yale University in 1929. He joined the family business, Ballard & Ballard Flour Milling, and eventually became chairman of the board. He served in the Navy from 1940 to 1945 in the Pacific.

After his retirement from active politics, he became a vice chair-man of Liberty National Bank in Louisville, president of the American Horse Council and chairman of the board of Churchill Downs. He also served on several corpo-

Nikolai N. Inozemtsev

MOSCOW (Reuters) -- Nikolai N. Inozemtsev, 61, a key figure in the Soviet Communist Party and a prominent scholar, died Thursday, Tass reported Saturday.
Mr. Inozemtsev had been direc-

tions at the Academy of Sciences for the past 16 years. He became a full member of the Communist Party Central Committee, which When Sen. Eugene J. McCarthy plans policy, in March, 1981.

After three years as deputy di-rector of the institute, he was named deputy chief editor of Pravda, a post he held for five years until 1966. He was then appointed to the top position at the institute, which he held until his death.

Joe E. Ross

LOS ANGELES (AP) - Joe E. Ross, 67, an actor who played the short, stocky Officer Gunther Toody in the television comedy series "Car 54. Where Are You?" and Sgt. Rupert Ritzik on "The Phil Silvers Show." died Friday, apparently of a heart attack.

Charles Walters LOS ANGELES (LAT) — Charles Walters, 70, the director of a long string of memorable movie

musicals, died Friday of cancer.
Mr. Walters, who won an Academy Award nomination in 1953 for his direction of "Lili," began his show business career as a dancer in the 1930s, working his way up through a succession of Broadway shows and staging dance numbers for Broadway's "Let's Face It." starring Danny Kaye and "Banjo Eyes," with Ed-Kaye, and "Banjo Eyes," die Cantor. He then became a dance director for movies.

fledged movie director with "Good News." In quick succession came "Easter Parade," "The Barkleys of Broadway," "Summer Stock" and "Lili." Among his other successes were "High Society," "Please Don't Eat the Daisies," and "The Unsinkable Molly Brown."

Patrick Magee LONDON (AP) - Patrick Ma-

gee, 58, who won a Tony award for his portrayal of the Marquis de Sade in "Marat/Sade," died Saturday in London. Mr. Magee was a close friend of the Nobel Prize-winning writer Samuel Beckett, who created many parts for him. He specialized in ister character roles.

Born in Armagh, Northern Ire-land, Mr. Magee began his acting career there but won critical acclaim in London for his performances in "Endgame," "The Birthday Party," "Staircase," "The White Devil" and "The Battle of Shrivings." He was the first to perform the role of the Marquis de

MEMORIAL NOTICE

Sade in "Marat/Sade."

A memorial service for FRANK VAN BRAKLE will be held at 9:30 a.m. on Thursday, August 19, 1982, at the Columbarium in Pêre Lachaise Cemetary, at the Blvd, de Menimontant ent Following his wisher, women what attend are requested not to wear black. Please send no be made to a charity that supports medical research.

SALVADORAN FOES - A soldier watched over a prisoner taken during seven hours of fierce fighting last week against rebels near San Sebastian, about 30 miles from San Salvador. At the same time, El Salvador's government said it mounted an operation that wiped out three rebel camps about the same distance north of the capital.

# U.S.-Nicaragua Dispute **Buffets Exiled Indians**

By Raymond Bonner

New York Thnes Service MOCORON, Honduras — For generations few people, except missionaries from the Moravian Church, knew much about the Miskito Indians who lived in Ni-

caragua's Atlantic Coast region.
But in the last eight months, the Miskitos have found themselves in the center of controversy. The Nicaraguan government has charged that some of their leaders are sub-versives, and the Miskitos have been the focus of attention by the United States, which uses their case as an example of what it sees

as human rights abuses. Disrupted by border warfare, displaced by Nicaraguan attempts to resettle and integrate them, and sometimes motivated by a desire to join Nicaraguans in exile, about 15,000 of the 125,000 Miskitos have fled to Honduras. Most of

them are struggling to survive in a refugee camp near here. Resettlement Plans

Officials from the Office of the UN High Commissioner for Refu-gees are trying to resettle the Misk-itos on their own parcels of Honduran land. There are miles of uninhabited, fertile land in this region, more than enough to allow Officials believe that the reloca-

tion, in addition to fostering self-sufficiency, would reduce the ra-vages of epidemics arising among the thousands of people living in the squalid conditions at Mocorón.

The relocation plans have been resisted by some of the Indian leaders, including Steadman Fagoth Muller, who has gone on a tour of the United States to make a case against the Nicaraguan government's treatment of the Indi-

The relief workers believe that he and others who share his view are opposed on the ground that it will be easier to keep world attention on the Miskito issue if the Indians are kept in a group.

"Their presence is an embarrassment to the Nicaraguans," a relief worker said.

U.S. officials focused attention on the issue last winter by charging that the Nicaraguans were engaged in a campaign of genocide against



Mocorón area is site of Miskito Indian refugees, who have fled from Nicaragua.

Under the regime of Anastasio Somoza, the Indians were left alone. After his overthrow in 1979, the new Sandinist government in Nicaragua decided to end their iso-

According to Sifrit Williams, 52, a refugee leader who wants to overthrow the Sandinists, the Miskitos generally preferred the Somoza government because it did not intrude in their lives.

"The Socialist system gainst their grain," said Adam, 27, a volunteer for World Relief, an evangelical organization. Mr. Adam, who is the only one of some 50 relief workers here who speaks Miskito, said that from his parents and other missionaries, the Miskitos had acquired "pro-Western, pro-American" values. In accusing the Sandinists of

human rights abuses, Reagan administration officials have relied in part on Miskitos' accounts of an incident on Dec. 23 last year. On that day, according to some refugee leaders, Sandinist soldiers killed about 100 Miskitos, including

here, including Peace Corps volun-teers, said the attack may have been provoked when a force of about 200 armed Miskito men left the Mocorón refuge to take part in a raid on Leimus.

Whatever happened at Leimus, the Sandinists have concentrated much of their military buildup in areas of Nicaragua populated by

# TV Show Fuel Mexican Anger at Washington

Errant U.S. Document,

By Alan Riding

New York Times Service
MEXICO CITY — Leading

Mexican officials are upset at what they believe to be an orchestrated effort by the Reagan administration to exploit the country's current economic crisis and promote criticism of Mexico through news

This reflects heightened sensitivity of the government of President José López Portillo to criticism since Mexico's economic crisis erupted this year.
The indignation with U.S. news

organizations began on July 25 with the ABC television program "Mexico: Times of Crisis." In an interview, the U.S. ambassador to Mexico, John Gavin, referred to fears that Central America's trou-

bles could spill over into Mexico.

Then the Mexican government obtained a copy of what Mexico City officials described as a confidential U.S. State Department briefing paper that said Mexico could make important economic concessions and be "less adventuresome" in its foreign policy as a result of the economic crisis.

Newspaper Columns Manuel Buendia, who first reported the existence of the briefing paper in his column in the newspaper Excelsior, said it was "proof" that Washington had been "the instigator of the escalating attacks gainst Mexico in certain important magazines in the United States and on the ABC television net-

Stanley A. Zuckerman, public affairs officer at the U.S. Embassy, said that the document — as de-scribed by Mr. Buendia — did not support the columnist's conclusion. "Anyone who knows any-thing about the American government and the American media

knows this is an absurd charge," Mr. Zuckerman said. Until recently, despite sharp differences over policy toward Cen-tral America, the two governments emphasized an improvement in ties as a result of what appeared to be a close personal relationship between Mr. Reagan and Mr. Lopez Portillo, who met on four separate

Distrest of Enders

occasions last year.

Mexican officials, however, regard the U.S. assistant secretary of state for inter-American affairs, Thomas O. Enders, as "virulently anti-Mexican." The briefing paper bears what appear to be the initials of Mr. Enders.

Much of the three-page document, dated June 26, discusses Mexico's oil boom, economic conditions and political mood before the July 4 presidential elections, won by the governing party's can-didate, Miguel de la Madrid Hurtado, who succeeds Mr. López Portillo in December.

"Our improved relationship promises to be severely tested in the months ahead as both counmies," it says.

The document adds that Mexi-co's "retrenchment" can stimulate the flow of undocumented workers to the United States. It also suggests that U.S. financial assistance to Mexico, although minuscule compared with needs, "could be helpful in pointing Mexico toward the right internal policies."

Most Upsetting

Most upsetting to Mexican offi-cials, however, is the final paratiate a trade agreement and cooperate in controlling illegal migra-

will compromise its prickly inde-

In contrast with the ABC report. the document does not question Mexico's future political stability or warn of the danger that Central America's violence can spread to

Mr. Buendia has kept up his press attacks on Mr. Gavin. In a column last week, he revived a complaint heard frequently among Mexican officials that the U.S. ambassador was absent too often from his post. When Mr. Gavin returns next week from his latest trip, according to Mr. Buendia, he will have been away from Mexico for 184 of the 438 days — 42 percent of the time — since he pre-sented his credentials.

# **Black Market** Follows Move By Mexicans

Compiled by Our Staff From Dispatches
MEXICO CITY — Mexico's closure of foreign exchange markets has created a black market with rates surpassing 150 pesos to the dollar, according to some dealers.

In an attempt to calm the doubts caused by the the closure, Mexico's Finance Ministry said late Friday that although foreign exchange operations would be sus-pended until further notice, dollar polders and depositors could change their money into pesos at 69.50 to the dollar — the rate on the free market at the close of

trade Thursday. Mexico also had declared that all foreign currency bank accounts here would be convertible only to

Under the new measure, Mexican banks cannot transfer foreign funds to their branches abroad, but these branches can continue normal exchange operations with existing resources.

The latest action, coming a week

after the government introduced a two-tier exchange rate, is apparently aimed at curbing a continu-ing flight of capital. Many Mexican businesses and private citizens, as well as U.S. businesses operating in Mexico, keep their dollars in bank accounts. Such dollar accounts are estimated to total up to

"If this is just a temporary measure, giving people the option of rolling over maturing dollar investments until the peso stabilizes, it won't be so bad," said a U.S. banker. "If not, Mexico has just expropriated \$12 billion in private

Another U.S. banker said the government was forced to "seal the hole" represented by foreign currency holdings because maturing investments were being transferred out of the country. "It simply doesn't have the reserves to cover \$12 billion," he said.

# Irish Aide's Home **Is Scene of Arrest**

Arthur. 36, charged in Dublin on Saturday, gave Mr. Connolly's suburban apartment as his address. A government spokesman said Mr. Connolly, 53, was on va-cation. Premier Charles J. Haughey is being kept informed,

# International Bond Prices - Week of Aug. 12

Provided by White Weld Securities, London, Tel.: 623 1277; a Division of Financiere Credit Suise - First Boston STRAIGHT BONDS All Currencies Except DM

HIGHEST YIELDS to Average Life Below 5 Years

with the murders of a nurse, Bridie Gargan, in a Dublin park July 22 and a farmer, Donal Dunne, at his farm west of Dublin three days lat-Arthur is a graduate of Britain's Cambridge University and is unemployed, police said.

#### graph, which says that Mexico's economic crisis may lead it to sell more oil and gas to the United ing women and children, in the Ni-States at better prices, ease restric-tions on foreign investment, negocaraguan border town of Leimus. But international relief workers

"Similarly, with the wind out of its sails, Mexico is likely to be less

adventuresome in its foreign policy and less critical of ours," the document says. "It would be unrealistic to expect, however, that even an economically chastened Mexico

DUBLIN — A man arrested at the home of the Irish attorney general, Patrick Connolly, has been charged with two murders, police said Sunday. Malcolm Edward Daniel Mac-

Mr. MacArthur was charged

er. Born in Dublin, Mr. Mac-

# A Feverish Tension Grips Managua's Streets Sandinistas' Former Allies Turn Bitter Over Seemingly Arbitrary Militarism

watched his world collapse three years ago, Defense Minister Humberto Ortega Saavedra now sits, seemingly remote from the hyster-Influential Nicaraguans who are By Christopher Dickey

Washington Post Service

MANAGUA — A Nicaraguan business leader, Enrique Bolanos, was on his way with a friend to a farm near here last month when five uniformed men wearing black berets and carrying submachine guns stopped them. The two were taken to a low-ceilinged building with heavy walls and doors and almost no windows. The building, located in the mid-

dle of a military compound over-looking the earthquake-wrought ruins of Managna, is known here -always in the English word -as the Bunker. Once the command center of Anastasio Somoza, it now is the nerve center for the ruling Sandinistas' military organization, a complex of often mysterious intelligence, security and command operations.

Both men were released the next day after cursory questioning, and Mr. Bolanos, still puzzled, said lat-er: "I would like to know why I

went in and why I got out."

Few people, including those who are jailed there, ever know for certain what goes on in the heavily guarded buildings. But as the elaborate heart of the concept of "organized people in arms" that the Sandinistas have championed here, the Bunker has become a symbol for much that is resented and even feared about the once overwhelmingly popular Sandinista govern-

ia of war fever gripping the streets of the capital as threats of rebellion and a possible clash with Honduras grow more pronounced.

The Bunker compound is officially called El Chipote, after a 1920s stronghold of the revolution's hero, Augusto C. Sandino. But just as it represented the isolation and alienation of Mr. Somoza in the dying days of his dictatorship, the Bunker now evokes in the minds of many Nicaraguans the sometimes seemingly arbitrary militarism of the new government that has alienated and embittered many of those who jubilantly marched with the Sandinistas when they took power on July 19, 1979. Many of those former Sandinis-

ta allies are no longer in the country. Some have taken up arms against the government. Moreover, while the Sandinistas

have been losing friends, their old enemies, about 2,000 former soldiers of Mr. Somoza's National Guard who escaped imprisonment, have regrouped and taken the of-

## Remnaut of Failure

In the conference room of the Bunker there are two maps. One, tattered but preserved beneath glass on a long table, is of ManaThe other map, occupying an entire wall, is a topographic depic-

tion of the country that shows the forces that the Sandinistas believe are arrayed against them. Mr. Ortega points to various features. Just across the northern border in Honduras, little circles mark 13 sites that the Sandinistas say are

used as major bases by "counterre-volutionaries," many of them for-mer guardsmen allegedly receiving aid from elements of the Honduran Army and covert support from the Reagan administration.

Within Nicaragua, large rectangles mark off 14 outposts of anti-Sandinista rebels ranging through the provinces of Nueva Segovia,

Esteli, Jinotega and Matagalpa in the west and the length of the troubled Atlantic Coast in the east, from near the Coco River in the north to the village of Atlanta, be-low Bluefields, in the south.

## Increased Polarization

A long line arching around the western perimeter of the country traces the alleged route of U.S. spy planes, and little geometrical figures off the coast are to record sitings of U.S. surveillance ships.

As the pictured threats have grown greater, so have divisions mild-mannered man left slightly among the Nicaraguan people and crippled by bullet wounds from his gua, with blue arrows marking the in the Sandinistas own ranks. In-In the cool of the conference National Guard. It was left behind selves pressured to be either for or against the people of the Bunker.

The cool of the conference National Guard. It was left behind selves pressured to be either for or against the people of the Bunker.

The cool of the conference when Mr. Somoza and his soldiers are going to hang and people will be killed. Because a war is not pretty. It's like that."

decidedly not in agreement with the Sandinista leadership, but who have stayed in the country, are frequently subjected to the kind of harassment that Mr. Bolanos expe-Ramiro Gurdian, a wealthy

farmer, was out of the country on business and narrowly escaped ar-rest last fall after signing a letter harshly critical of the Sandinista leadership. It took issue, among other things, with a private statement by Mr. Ortega that enemies of the revolution would be hanged along roadsides if an attempt were made to overthrow the govern-

Other leaders of the Superior Council for Private Enterprise spent four months in jail for signing the letter. Asked about his well-publicized

"hang them by the roadside" remark, Mr. Ortega insisted that businessmen who go about their business are safe in Nicaragua. His remarks were never meant for public consumption, he added, and were made in the heat of the moment to a particularly radical group of Sandinistas after some killings by counterrevolutionaries.
"What I said is that if there's an

invasion, the people can use violence against those who support the invasion," said Mr. Ortega, a years underground. "Sure, people

\$40 \$50 \$50 \$30 \$50 \$50 \$50 \$100 \$100

# BUSINESS/FINANCE

# Tax Fear Unhinges **Bond Sales**

By Terry Gross

LONDON - Even for those who scoff at superstition, last Friin the Eurobond market, as talk of some changes in U.S. tax law threw a dark cloud over the status of a number of recent issues by U.S. borrowers.

Initial reports from Washington Sunday indicated that the version of the tax bill approved early Sun-

**EUROBONDS** 

day morning by a U.S. congressional committee contained language designed to make the Eurobond market breathe easier. But industry specialists were still scouring the bill sent to the House and Senate floors for final approval in an attempt to determine under what conditions the issues could proceed.

The issues - by IBM, Du Pont Xerox, Manufacturers Hanover and American Natural Resources all had two things in common. All featured warrants entitling holders to purchase future bonds during a set period, and all were due to be signed last week.

None was signed. The U.S. Congress, in formulating its tax package, included language that bankers here said was primarily intended to insure that holders of domestic U.S. bonds pay taxes on their earnings from those securities. The bonds in question are bearer bonds, that is, securities that are not registered with the name of the owner. On such bonds, it is possible for the owner to keep coupon-earnings information from the U.S. Internal Revenue Service.

### Warrant Problem

The problem arose in the Eurobond market because the language of the bill was such that it would take all Eurobonds by U.S. issuers under its umbrella. Eurobonds are all in bearer form, and registration and withholding tax on Eurobonds would deter many investors from buying. Eurobonds commonly include language that allows the is-suer to call the bonds if withholding tax is imposed at the source.

Specifically concerning the market last week, however, was the effect of the law on the five issues. The effective date of the law was to be Dec. 31. Thus, the actual bond issues themselves would not be affected. But the bonds derived from the warrants would have come under the law because they would be issued after Dec. 31.

fold unknown for the investor and the issuer. The investor would be asked to buy a warrant for a bond that might have to be registered and on which withholding tax might have to be collected. While that might be all right for some, the issuer was facing additional cost because if the law were enacted, the issuers of the five warrantrelated bonds would be barred from claiming a deduction for the interest paid on the bonds. They would, therefore, be issuing warrants for bonds to which would be attached a huge unplanned cost.

The situation remained cloudy Sunday, but one Washington source said that technical language had been worked out between congressional committee staff members and representatives of the U.S. companies that would exempt Eurobonds from registration. The language appears to mean that there would be no withholding of tax on Eurobond issues, the source

## Waiting for Light

A congressional committee staff member said that, under the provi-sions of the bill, there would be no withholding on Eurobond interest because the securities were not in-tended for sale to "a U.S. person," a term for which there was no ready definition. However, if a U.S. person does receive interest Eurodollar bonds, there would be a penalty if that money were brought back to the United States, because such an act would be a violation of the registration provisions, the staff member said.

The penalty amounts to 1 percent of the principal amount of the obligation multiplied by the number of years elapsed since the security was issued, he said.

On Friday, traders waited all morning for some kind of clarification from the lead managers but went to lunch still in the dark. Late in the afternoon, Morgan Guaran-ty, which led the IBM and Du Pont issues, sent telexes to all comanagers and underwriters explaining that the documentation for the bonds would be changed to contain new language taking account of possible changes in U.S.

tax law.
"Because the law has been pro-

(Continued on Page 9, Col. 2)	late decision.  In the decision, the appeals
Eurobond Yields For Week Ended Aug. 11 Int'l Inst. Ig. term USS	court found that the district judge had engaged in a "usurpation of power" and a "clear abuse of discretion" by resisting the dismissal agreement that the government and IBM reached Jan. 8.  IBM had requested a special order directing Judge Edelstein to "conduct no further proceedings of any kind whatsoever with respect to the parties and issues" in the case.
Market Turnover	The appeals court said the IBM

# Market Turnover For Week Ended Aug. 13

ns of U.S. Dollars I

# **NEW EUROBOND ISSUES**

Stroight	FR	Warrant	Conv.	Borrower	Amount (millions)	Maturity	Coupon %	Price	Yield At Offer	Terms
•		П		Deutsche Bank Luxembourg	\$300	1989	141/4	100	1414	
•	1			Du Pont	\$200	1989	141/8	100	141/8	Signing delayed
1	11	•	1	Du Pont	0.20	1986	_	\$38	_	Exercisable into 1314% notes of 1987.
•	1			Girozentrale & Bk Der Oest.	\$50	1989	151/4	100	151/4	Non-callable.
		l		Man. Hanover Overseas	\$100	1986	131/2	100	131/2	Signing delayed. First call at par in 1985.
		•	ĺĺ	Man. Hanover Overseas	0.20	1985	_	\$18		Exercisable into 131/1% notes of 1987 at par.
•	H			Pacific Lighting Sth. Calif. Gas	\$50	1989	· 15	100	15	
•			1	Xerox	\$100	1987	14	100	34	Signing delayed
l	ll			Xerox	0.10	XX	_	\$30	_	Exercisable into 131/1% notes of 1987.
	•			Credit Foncier	\$60	1990	+ 1/4	100	_	Over 6-month Singopore interbank offered rate.
				Quebec Province	cc50	1998	16%	190	16%	First cultat 101 in 1906.
ė			·	Block & Decker Finance	DO IME	1989	9%	99%	9.23	Non-collible.
				Int'l Standard Electric	DM100	1992	9%.	100	9%	First coll of 101% in 1989.
				ITT Antilles	OBTING	1792	914	100	912	First collice 10116 in 1969.
			· . ]	Asion Development 6k	DFIs100	1992	. 11	100	11	
•				World Bank	DFIs250	1992	11	com		Nos calleble, Salting fund to Start in 1996 to produce 8-yr coloring Ste.

# Fed Seems Eager to Push Interest Rates Down

Compiled by Our Staff From Dispatches NEW YORK — The Federal Reserve's latest discount rate cut con-firms that the central bank has become more eager to push down interest rates and thus help revive the U.S. economy, analysts say.

The Fed announced late Friday a 1/2-point cut, to 101/2 percent, in the rate it charges on loans to banks. The move sent interest rates

## U.S. CREDIT MARKETS

sharply lower in the credit market and prompted four major U.S. banks to cut their prime lending rates to 141/2 percent from 15 percent. Other big banks were expected to match that move Monday.

Friday's discount rate cut, the third in a month, brought the fee to its lowest level in nearly two

Allen Sinai, an economist at the research firm of Data Resources Inc., called the Fed's move "very significant," adding: "The easing is an indication that the recession has gone on for a dangerously long time and a signal by the Fed that they don't see a recovery and are worried about the snowballing bankruptcies of financial institu-

## Prime Rate Cuts

Mr. Sinai pointed to Friday's report that U.S. factory production dropped for the 11th month in the past 12. Even though the 0.1-percent July drop was the smallest of the 11 drops, he said it showed that "the economy is not coming toming out, and that bottoming

out is taking a long time." In an interview published Sunday, Commerce Secretary Mal-colm Baldrige took a similar view, saying that the economy probably will not improve until the fourth

By Arnold H. Lubasch

New York Times Service
NEW YORK — A federal

appeals court has issued a decision that would finally end the govern-ment's 13-year-old antitrust case

against International Business Ma-

The 27-page decision, by the United States Court of Appeals for the Second Circuit, found that a

district judge had "abused his power" by holding hearings that challenged an agreement between the government and IBM to drop

In a significant ruling on antitrust law, the appeals court said Friday that agreements to dismiss

government suits were not subject

to judicial proceedings under the Antitrust Procedures and Penalties

Final Disposition

quest for a special order directing Judge David N. Edelstein, who was in charge of the case in the

Federal District Court in Manhattan, to cease all further proceed-

ings holding up final disposition of the suit against the giant computer

company.

Judge Thomas J. Meskill wrote the unanimous decision for the

appeals court with the concurrence

of Judge Jon O. Newman and Judge Amalya L. Kearse. IBM had no comment on the de-

cision, according to Edward Nanas, the company's director of information, who added that "the

The decision granted IBM's re-

Act, known as the Tunney Act.

Jeffrey Leeds, a money market analyst for Chemical Bank, also U.S. Consumer Rates traced the Fed's move to worry about the economy's torpor. "The Fed is setting a clear policy of being more accommodative and injecting more reserves into the economy," Mr. Leeds said. "It's been a very significant adjustment in the rate structure and a very welcome sign for the financial

markets.\* Another reason cited by analysts for the push toward lower rates by the Fed was the failure announced Thursday of a small government securities firm, Lombard-Wall Inc. An easier credit posture by the Fed would be designed to calm worries of market participants.

The Fed's reduction in its key lending rate, which becomes effective Monday, came two weeks after it lowered the rate to 11 percent from 11½ percent and 24 days after it made a half-point cut to 111/2

The four banks that cut their prime rates to 141/2 percent are Manufacturers Hanover Trust, Mellon Bank, Chase Manhattan Bank and Chemical Bank. The prime rate, which is a guide to the rates banks charge for loans to their best corporate customers, had declined from 161/2 percent in mid-June to 15 percent in the first two weeks of August.

As it has in the two recent reductions in the discount rate, the Fed said its action was prompted by modest growth in the money supply, which is regarded as having an strong bearing on the course

U.S. Court Moves to End IBM Suit,

Criticizes Federal Judge's Actions

Company and the Justice Depart-

antitrust cases were not subject to

judicial review under the Tunney

Act, the decision noted that the act does require such review of cases that are settled, to assure that the

settlements were in the public in-

The Justice Department filed its antitrust suit against IBM on Jan. 17, 1969, contending that the com-

pany had monopolized the market

for electronic digital computers,

The court observed that the Justice Department's "decision to

abandon what had been one of the nation's longest antitrust suits" came after William F. Baxter, the

assistant attorney general in

charge of the antitrust division, had concluded that a continuation

of the case would offer "little pros-

However, the appeals court said, Judge Edelstein conducted a hear-

ing on March 2 "calling into ques-

tion Mr. Baxter's role in the Justice

Department's decision to dismiss

"Judge Edelstein," it continued, "entered into the record several letters which indicated that Mr.

Baxter had served as a consultant

to IBM during the early stages of a private antitrust suit brought by

the appeals court noted.

pect of victory."

While stating that dismissals of

To economists and money marhas made stimulating the economy a higher priority than in the past while relaxing somewhat its aggressive attempts over the last two years to bring interest rates down helped push prices sharply higher

LOL ALGER DIGGS WITH 19"	
Passbook Savings	5.50 %
"All Savers" Certificates	8.96 %
6-Month Savings Certificates	11,36%
Tax-Exempt Bonds Bond Buyer 20-Bond Index	11.86%
Money Market Funds Donoshue's 7-Day Average	11.50%
Home Mortgoge FHLB, average	17.28%

banking system," said Mr. Leeds.

Late Friday, the Fed reported that the basic money supply, known as M-1, expanded by \$2 bil-lion in the week ended Aug. 4. The increase was right on target with Wall Street expectations and became one more factor in extending a strong two-day rally in the gov-

plunged in yield by a full percentage point on Thursday and Friday. Three-month bills were offered late Friday at a yield of 8.83 percent, while six-month bills were offered at 9.9 percent. By contrast, both of these maturities yielded well above 14 percent in mid-Feb-

ket analysts, the discount rate cut customers alike. The bond finished confirmed the belief that the Fed at a price of 108 30/32, to yield

# on the New York Stock Exchange Friday. The Dow Jones industrial average climbed 11.13 to 788.05.

its first gain in eight days.

Analysts were divided on

The bond market "really

jumped," said W. Lee Hoskins,

chief economist for Pittsburgh Na-

tional Bank. "If these rates hold,

then I'd expect we would see the

prime rate moving down another

Robert Jones, chairman of Mon-

ey Market Services Inc., said the Fed may reduce the discount rate

to 9 percent by the end of October.

Lower rates will be needed, he

said, because even with the latest

cut, interest rates remain histori-

cally high when adjusted for infla-

Other analysts said they do not expect further reductions in the

discount rate soon. "We've seen a

substantial drop, and now I'd expect the Fed to sit back, take stock

adopt a wait-and-see attitude over the near term," said Nicholas J. Marrone, an analyst for Bank of

New York.

what it has done so far, and

whether rates are likely to continue

For Week Ended Aug 13.	
Passbook Savings ,	5.50 %
"All Sovers" Certificates	8.96 %
6-Month Savings Certificates	17,36%
Tax-Exempt Bonds Bond Burgr 20-Bond Index	11.86%
Money Market Funds Dangshue's 7-Day Average	11.50%
Home Mortgage	

through tight control of the money supply. "The Fed's move says you don't need the money supply as an indicator of policy, because the policy has become so clearly designed to inject reserves to the

## M-1 Grows \$2 Billion

ernment securities market.
Short-term Treasury bills

Meanwhile, the Treasury's beliwether 14-percent bond on Fri-day soared 2½ points, or \$25 for th \$1,000 face value, in a performance that dazzled dealers and 12.82 percent. It was its highest price and lowest yield since the bond traded in late 1981 at 110. Signs of lower interest rates also

The appeals court observed that Judge Edelstein also "expressed his concern that Mr. Baxter had

never publicly disclosed his prior

representation and raised the pos-

**European Case Remains** 

Then, on March 19, the district judge permitted Philip M. Stern, an author and philanthropist, to appear as a friend of the court to

challenge dismissal of the IBM

case on two grounds, failure to comply with the Tunney Act and a

possible conflict of interest by Mr.

After IBM filed its petition chal-

lenging the judge's actions, the appeals court issued a brief order dismissing the conflict-of-interest

claim, but it reserved judgment on the Tunney Act question until

now.
Calling it "an extraordinary

case," the appeals court observed that "the parties in this litigation

have seen four changes of administration with corresponding shifts

being pursued by the European Economic Community, which has

charged the U.S. company with using its dominance of Europe's

computer market to stifle competi-

IBM still faces an antitrust suit

in civil antitrust policies."

sibility of a conflict of interest."

# Cities Service Considers Occidental Merger Offer

By Douglas Martin

New York Times Service

NEW YORK — Occidental Petroleum has offered to pay approximately \$4 billion for Cities Services. vice, which has been scrambling to find a merger partner since Gulf Oil withdrew its offer 10 days ago.

Analysis and stock market trad-ers expressed delight Friday, say-ing the deal may save Wall Street investors hundreds of millions of dollars they feared they had lost

Many analysts expect the U.S. stock market to go into a final plunge before recovering. Page 9.

when Gulf bowed out of its planned merger with Cities Ser-

"It's Christmas come early," said Michael Sofia, vice president of arbitrage at the brokerage firm

of E.F. Hutton. William LeFevre, a market strategist for Purcell, Graham & Co., said, "Investors may look more fa-vorably on stocks in general be-

Occidental is the 13th-largest U.S. oil company, while Cities Service is the 20th. A combination of the two concerns would create the eighth-biggest oil company in the United States.

## Monday Deadline Given

Cities Service said its board will meet on Monday to consider the Occidental offer but stressed that it is still considering other opportunities. Occidental, applying pressure, gave Cities Service a deadline of Monday to make a decision.

Armand Hammer, chairman of Occidental, in a 10-page letter sent to Cities Service, offered to pay \$50 a share for half the company's stock. The remainder would be paid in poter superstead by Occipaid in notes guaranteed by Occi-dental and in Occidental preferred stock. Both companies emphasized that the letter did not constitute a formal tender offer.

By contrast, Gulf had offered to pay \$63 for 51 percent of Cities Service with the remainder in fixed-income securities. The Gulf offer was valued at approximately Before the Gulf offer. Cities Ser-

vice stock was trading for less than \$37.75 a share, a price that had "Euphoria is permeating the markets right now," said Robert been buoyed by a previous offer for the company by Mesa Petrole-Schwartz, senior financial economist at Merrill Lynch, Pierce, Fenner & Smith Inc. "We should After the termination of the enjoy this while we can. I don't think this is permanent."

Gulf offer, fears of a price collapse



**Armand Hannner** 

to less than \$20 a share swept Wall Street. On Friday, Cities Service shares rose \$1.75, to \$33.25, and Occidental rose 25 cents, to \$17.50, on the New York Stock Exchange before trading was halted in both stocks late in the day.

Professionals on Wall Street had sustained heavy losses, estimated at as much as \$300 million, as a result of the Gulf withdrawal. The reason was the heavy buying by speculators who had hoped to receive \$63 from Gulf for their shares, but then saw the figure

slide to less than half that level. Mr. Hammer said in a statement Friday that an Occidental team had determined that there were "no antitrust obstacles" of the sort that caused the Federal Trade Commission to object to the Gulf

Analysts generally supported this contention, pointing out that Occidental, unlike Gulf, has no refineries or retail outlets. Gulf had cited the commission's objection as one reason for withdrawing its

## Economic Sense

A commission official, who asked not to be identified, said his agency will be examining the antitrust implications of the offer, but declined to comment on what action might be taken.

The agency had objected to the Gulf offer because it would have diminished competition in certain gasoline and aviation fuel markets, and possibly infringed on competi-

tion through a petroleum pipeline in which both companies had an

Industry analysts said the deal between staunchly independent Occidental, noted for its international activities, and the solidly domestic Cities Service appeared to

make economic sense. Constantine Fliakos of Merrill Lynch, Pierce, Fenner & Smith. said, "They complement each other well."

Sal Ilacqua of Unterberg, Rothschild & Towbin, said, "Oxy really doesn't have much in the way of reserves in the United States, and they have a tradition of acquisi-

Last year, for example, Occidental surprised business analysts by acquiring Iowa Beef Processors, at-

ter previously expanding into coal and other energy areas.

Analysts suggested that acquisi-tion of Cities Service would dramatically increase Occidental's domestic oil reserves, which are con-siderably overshadowed by the company's foreign holdings. Occidental would, in effect, be acquiring oil reserves at about \$5 a barrel, compared to a finding cost of roughly \$15.

## Zero-Coupon Notes

Occidental's letter, dated Friday, said that it is "prepared to commence on or before" next Thursday the cash tender offer for half the shares.

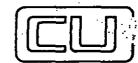
This first stage would be followed by a merger under which each remaining Cities Service share would be converted into \$33,33 of zero-coupon Cities Service notes guaranteed by Occiden-tal and one-third of a share of Occidental's preferred stock.

With a zero-coupon instrument the return for the investor is the difference between what is paid for the issue and what is received at

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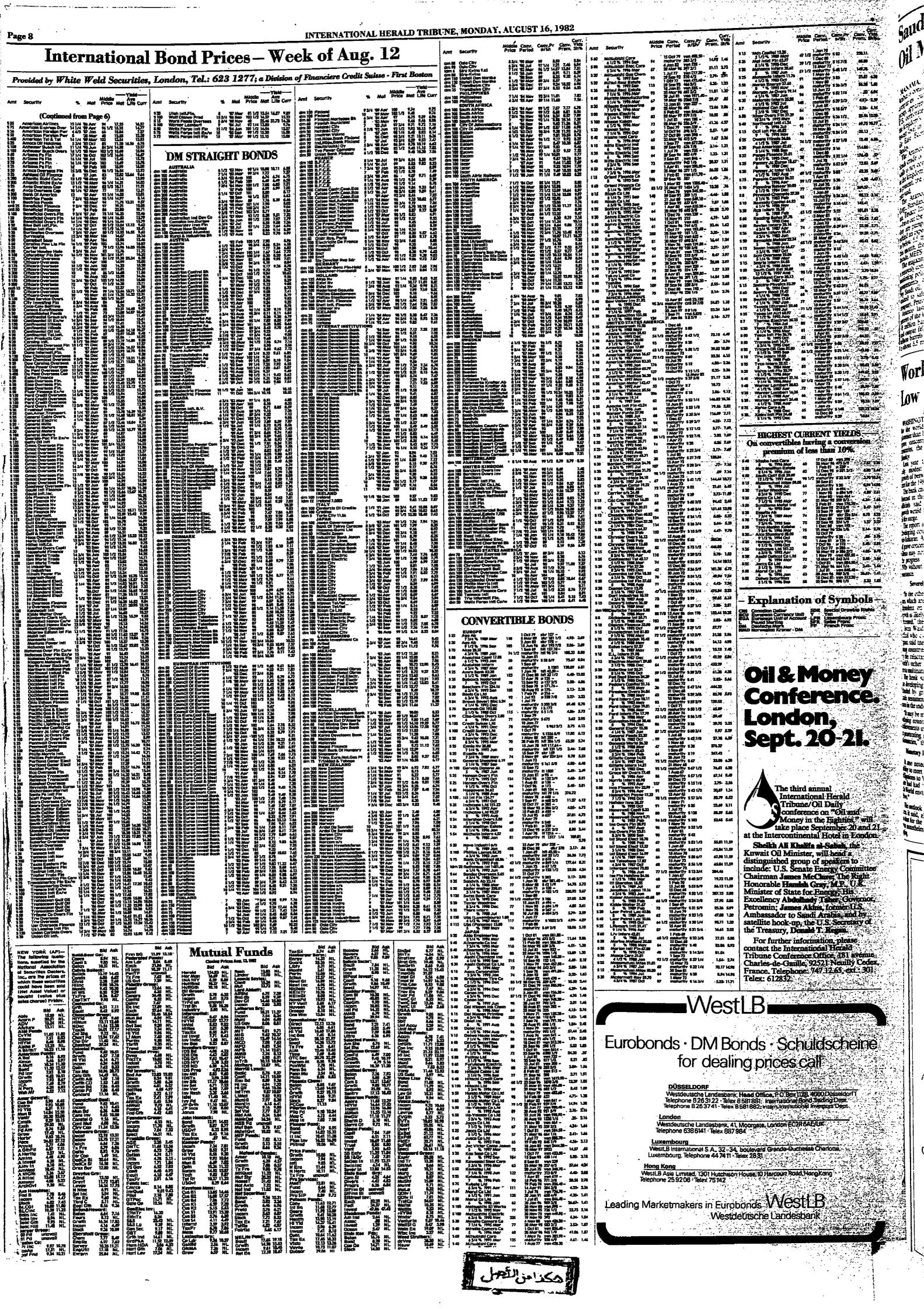
-Union Bank of Switzerland (Securities)

## **CURRENCY RATES**

volves a settlement between the Memorex Corp. involving 'gener-American Telephone & Telegraph ally similar' issues raised in this lit-

igation."

decision speaks for itself."	CURRENCI RATES
Judge Edelstein could not be	Interbank exchange rates for Aug. 13, excluding bank service charges.
reached for comment on the appellate decision.  In the decision, the appeals court found that the district judge had engaged in a "usurpation of power" and a "clear abuse of discretion" by resisting the dismissal agreement that the government and IBM reached Jan 8.	S
IBM had requested a special or- der directing Judge Edelstein to "conduct no further proceedings of any kind whatsoever with re- spect to the parties and issues" in the case.  The appeals court said the IBM petition raised "novel issues re- garding the application and scope" of the Tunney Act.  The other prominent antitrust	SOR   1.08142   0.6324   2.7652   7.5313   1509.29   1.9786   51.4845   2.3137   9.3973
case under judicial scrutiny in-	L Sterling: 1.2444 (rish £  (a) Commercial frage, (b) Amounts needed to buy one pound. (*) Links of 100, (x) Units of 1,000,



# Saudis Said to Weigh Oil Marketing Change

MANAMA, Bahrain - Saudi Arabia is considering selling oil to companies outside the Aramco group, apparently because its four U.S. corporate partners have let the kingdom's output drop to the lowest level in a decade, the Middle East Economic Survey said

The Aramco partners have said Sandi crude is overpriced, but Riyadh is not contemplating any cut in the kingdom's \$34-a-barrel price at present, the authoritative maga-

The Aramco four — Eccon Corp., Standard Oil Co. of California, Texaco Inc. and Mobil Corp. have cut the volume of Satidi oil they are pumping and are largely behind an expected drop in output to below 5.5 million barrels daily this month, the lowest in the past

decade, MEES said.

The magazine said the kingdom is seriously considering a change in marketing policy to allow foreign governments and companies to buy Saudi oil, which has been restricted to sales by the state oil company, Petromin.

Aramco last year pumped 98 percent of the kingdom's output of 9.8 million barrels a day. MEES said output fell last May below 6 million barrels daily, rose in June to about 6.5 million and dropped below 6 million again in July. The kingdom's official ceiling is 7 mil-

MEES said that until now Petro-min's oil sales, mainly to govern-

Petromin's sales contracts, exchiding oil under incentive con-musts to partners in Saudi industrial projects, probably total about 1.6 million barrels a day. But actual liftings undoubtedly are much wer in view of market condi-

co partners are probably extracting about 3 million barrels daily, compared with 7 million at peak periods last year.

The magazine also reported that a four-minister OPEC marketmonitoring committee will meet as expected on Friday in Vienna. But MEES said it is extremely unlikely that ā full emergency OPEC meeting will follow because the group is too divided on prices and production to make talks useful.

the sense of bringing investment and savings into equilibrium at a

of the decade would follow."

anti-inflation monetary poli-

cies, which have forced up interest

(Continued from Page 7)

spokesman said.

posed, the issuers have to protect

rhemselves," a Morgan Guaranty

ties in Cedel or Euroclear, the two

In addition, the telex said that if

the above choices did not meet

with the approval of the IRS, the issuer would be able to call the is-

sue at par, the warrants at their

original selling prices, or the issue

with the warrants at a premium re-

For the IBM issue, this would be par for the bonds, \$25 each for the warrants and 102½ for bond and

warrant. For the Du Pont issue it

would be par for the bond, \$38

each for the warrants, or 103.8 for

bonds or warrants at a discount

flecting the cost of the warrants.

Eurobond clearinghouses.

The new language would ask the

# **World Bank Predicts** Low Economic Growth

WASHINGTON - The outlook oil prices, many of the industrial for the world economy is even gloomier than last year and there is grave concern for the poorest countries, the World Bank said

Last year the bank predicted only modest global economic growth of between 2.2 and 3.2 percent for the 1980s.

The bank chose not to change its forecast in this year's report, but officials said it now appeared growth would be at the lower end

The report said the outlook for developing countries, especially in sub-Saharan Africa, was a matter of grave concern. It said India and China may not be able to sustain the progress they made in the 1970s without continued external

Severely Depressed

"In the other low-income countries, which are even more heavily dependent on aid flows, output growth is likely to remain severely; depressed." the bank said.

Bevan Waide, the World Bank official who oversaw work on the report, said the plight of the developing countries was compounded by the reluctance of some of the world's richer nations to contrib-

ute to multinational lending.

The bank said the outlook for the developing world was further clouded by growing protectionist trade sentiment and high interest rates in the industrial countries.

"It may be more difficult for developing countries to repeat past achievements in export growth and in penetrating markets in industricountries," the report said.

Monetary Policy Criticized

It also noted that Poland's inability to meet the bulk of its debt obligations to Western lenders this year had had "a chilling effect on the World environment for capital

The outlook for industrial countries, it said, although not as dire as that for the developing nations, was nonetheless far from encour-

MATERIAL VIOLENCE OF THE SECOND

ments and state-run companies, have been orchestrated to serve economic and political objectives with volumes limited so that Aramco pumped the bulk of Sandi

tions, the magazine said. MEES calculated that the Aram-

An OPEC meeting last month in Vienna ended in disarray when ministers failed to agree on output sharing to defend prices amid the

-may be repaid.

The report said, "Despite weak "The company was closed down temporarily to see if its assets are countries are still not adjusting, in enough to cover its debts," a for-

stymied by political pressures, then low global growth for the rest The committee has asked Whinney Murray & Co. to audit claims

> The problems of the moneychanger, Abdullah Saleh al-Rajhi, son of the chairman of Saudi Arabia's biggest money-changing com-

Tax Fear Unnerves Bond Market

As one explained: "If these

bonds go out into the market with

feature that can be exercised in

Others agreed that each investor

would have to make his own deci-

instant redocumentation would be-

ness suddenly were to diminish in

the eyes of the U.S. issuer?

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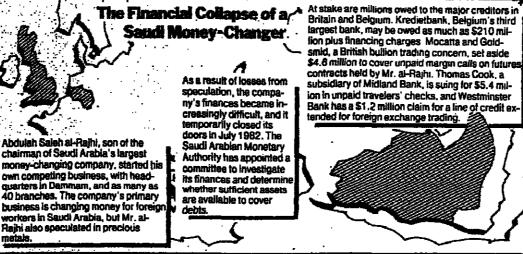
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# Creditors of Saudi Firm Hopeful

# Officials Probe Affairs of Debt-Laden Money-Changer

By Steven Rattner New York Times Service

LONDON - The affairs of a Saudi Arabian money-changer who apparently lost millions of dollars speculating in gold and silver are under scrutiny by a government-appointed committee, ac-cording to British and Saudi Ara-

The appointment of the committee has raised modest hopes among creditors located mostly in Belgi-um and Britain that the debts of Abdullah Saleh al-Rajhi Co. perhaps as much as \$300 million

— may be repaid.

Until the appointment of the committee by the Saudi Arabian Monetary Authority, the closure of the company in mid-July after a year of difficulties had sent the creditors scurrying to protect the collateral they had for their loans.

eign diplomat in Riyadh said in a high enough level to sustain rapid telephone interview. "It may have growth, and if governments that sufficient assets to pay off its are making the effort to do so are debts."

for debts submitted by foreign companies that had dealings with The bank noted that many inthe Saudi Arabian money broker. dustrial countries have held down their growth by relying heavily on

pany, are expected to result in controls within the kingdom on money-changers, who have expanded

over the years into virtual banks. Much of their business is concentrated among foreign workers, who convert their Saudi riyals into other currencies and send the money home. The money-changers also accept deposits, but do not pay in-

Partly because of the lack of government regulation, most de-tails about the younger Mr. al-Rajhi's business are not known. With headquarters in Damman. he is thought to have had as many as 40 branches throughout the province, where most of the forign workers are located

Like many money-changers, he also dealt in precious metals — his father is the biggest dealer in gold and foreign currency in the coun-The son, however, speculated with little evident success.

Last February, Mocatta & Goldsmid, the bullion-dealing sub-sidiary of the Standard Chartered Bank, announced that its profits for 1981 had been nearly cut in half by a \$4.6-million provision for unpaid margin calls on gold fu-tures contracts held by the Saudi

Al-Raihi's largest creditor is Kredietbank, Belgium's third-larg-est bank, which is reported to have a \$210 million claim, plus financing costs of as much as \$50 mil-

find happiness exclusively in deals

by the European Investment Bank, French Railways and the World

Kredietbank officials stressed that they are protected to a considerable extent, if not completely, by silver held on Mr. al-Rajhi's behalf and by liens on Saudi real estate owned by him. The liens, they con-tend, are valid even though foreigners are almost never permitted to own real estate in Saudi Arabia.

A number of other financial institutions are also creditors. Thomas Cook, the travel subsidiary of Midland Bank, is suing for \$5.4 million in unpaid travelers checks and Bank of America is owed a much smaller amount for travelers checks. National Westminster Bank has a \$1.2-million claim on a line of credit extended for foreign exchange trading.

The incident has embarrassed the Saudi government, which is eager for Saudi financiers to be portrayed as responsible. As a result, little mention has been made in the tightly controlled Saudi press of the al-Raihi affair.

Officials of the Saudi Arabian Monetary Authority could not be reached by telephone for comment, but foreign bankers said they were cheered by the speed with which the Saudi authorities moved in July to close the moneychanging operation.

The first step toward imposing government controls on the mony-changing business were taken last November, when the Saudi government published proposed regulations that would require the money-changers to phase out their banking business over three years.

Creditors have no expectations of a quick resolution to the confusion. Even with the outside auditing firm looking at the company's books, the government committee is not expected to act for several months. Meanwhile, most of the creditors have initiated legal action

# New York Times Service Discounted?

NEW YORK - The last leg of a bear market is often crushing: a swift plunge in stock prices on heavy volume that pounds smallinvestors and institutions alike, leaving them with big losses and shattered emotions. In the vacuum that remains, investors can begin

By William G. Shepherd Ir.

That last leg is exactly where the Indeed, it is hard to find anyone on Wall Street these days who does not believe, or at least suspect, that the bear market is moving into some sort of climactic phase that will purge the investment community of its pent-up fears of economic collapse.

rebuilding their confidence.

In the past two weeks, market averages have plunged as Wall Street, beset by cruel economic news from all sides, has time after time been unable to mount a sustained rally. That is a sign, many securities analysts say, that even the most steel-willed optimists may he about to throw in their towels.

The market's going to take the ultimate dive to culmination in the next few weeks," said James L. Freeman, director of research at First Boston Corp. "Batten down the hatches.'

The Dow Jones industrial average, battered by the recession, a plunge in corporate profits and anxieties that brokerage firms as well as banks are becoming in-creasingly vulnerable, slid 45 points in eight sessions through Thursday before regaining 11.13 points Friday to close at 788.05. The average is down almost 25 percent from its peak in April, 1981, of 1,030.

## Reading Tea Leaves'

Confusion seems to be the order of the day. "Nobody can tell if the we're starting a depression or end-ing one," said a mutual fund man-ager. "The market is one giant gamble."

"I don't know what's going on said Barton M. Biggs, the portfolio strategist at Morgan Stanley & Co. The market's reading tea leaves." Many bulls - while they concede that a sharp decline is

likely — are acting on the longer-term assumption that a boom is coming on the other side. They are determined "to tough it out," said Robert J. Farrell, chief market an-alyst at Merrill Lynch, Pierce, Fenner & Smith Inc.

It is just that group of optimists, Mr. Farrell said, that must be driven to sell before the market hits bottom. As Mr. Farrell figures it, a final sell-off could come by November and maybe sooner. A cardinal rule of the stock mar-

ket, however, is that what most people expect usually does not happen. In 1974, when panic sell-

# Is Doomsday

Many Wall Street Analysts Expect

New York Times Service NEW YORK - Wall Street

abounds in theories.

One is that the market's current decline may be only one phase in a much longer bear market that began 17 years ago. The argument is that the market has been discounting, in piecemeal fashion, the danger of depression ever since December, 1965, when the Federal Reserve first raised the discount rate to try to slow inflation. That was when investors first realized that the cure for inflation could bring a seveve

A way to make the Dow Jones industrial average look truly disastrous — and thus make stocks appear cheap to adjust the average for infla-tion. Instead of being at 788, Friday's closing level, the infla-tion-adjusted Dow would be below 250, where stock prices

were in the early 1950s. Seen in that light, the market would appear to have discounted every economic disaster short of nuclear war. Or so the

ing was widely anticipated, one of the longest and most severe bear markets ended in more of a whimper. The last leg of the bear market was spread in relatively orderly fashion over nearly three months. The worst market debacles - in 1929, 1962 and to a lesser extent in 1970 — have always been those that caught investors off

The most recent example of expectations betrayed has been the market's failure to react strongly to declining interest rates. Thoughout the spring and the first part of the summer, the prevailing wisdom was that once rates began to come down stock prices would shoot up. Short-term rates have begun to fall, but the market slide has continued.

How Wall Street reads Friday's decline in U.S. interest rates should become evident Monday.

# Granville's View

Even more disorienting is what investors perceive to be the disarray in economic policy: The inability of anyone to cut the federal budget, the flight of economic advisers from the Reagan administration, President Reagan's support for a \$99-billion tax increase. The proposed tax increase is having an especially harmful effect. Bewitched by the implications of

Crushing Finale to Bear Market terest rates, Wall Street now has to worry about the proposed remedy,

Because the public has largely withdrawn from the market, trading this year has been dominated institutions. Thus, if high-volume selling materializes, it may be the portfolio managers at bank trust departments, insurance com-

panies, mutual fund and pension fund management firms that will do the dumping. In the 1970 plunge, it was the professional who panicked and the much-maligned small investor who moved in to buy at the bottom and to stem the decline. Thus, it is in-teresting to speculate what the public might do. Joseph Granville, a flamboyant market-letter pub lisher who has a wide follow among amateur investors and is heartily disliked by the Wall Street establishment, correctly called the market's top late in 1980.

In his most recent published interview in the newsletter Bottom Line, Mr. Granville stated that he expects the Dow to bottom be-tween 550 and 650 by January. He then foresees a rally of 200 to 300 points, possibly followed by anoth-

er steep decline. Merrill Lynch's Mr. Farrell also wields a great deal of influence among investors. His view is more temperate. "I've been saying for a long time that it could go to 700 or to the low 700s," he said. "When people start saying, 'Why stop at 700? Why not 600, or 500? — when

when the bottom will occur.' Beyond that, though, Mr. Farrell is buliish. "Once you get through this critical period, say the next six months," he said, "I believe you really will see the start of the Great Bull Market of the 80s."

the risk seems open-ended - that's



Gold Options (prices in \$/ez.)				
Pross	Aug.	Nov.	Feb.	
330 350 370 390 410	11.50-14.50 3.50- 5.00 1.50- 2.50 0.50- 1.00 0.10- 0.25	31.00-34.00 17.50-20.00 9.50-12.00 5.50- 7.50 3.50- 5.00	40.00-43.00 31.00-34.00 24.50-27.50 17.00-30.00 10.00-12.50	
Gold 337-50-338.00				
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#### investor to agree to one of three those call features attached, I Bank? Or would other taxing powwould have to sell because if I beers follow the U.S. lead and begin conditions, at the option of the investor. He could sign a statement lieve interest rates are going to fall taking a cut, turning the entire in Saudi courts. saying he was not a U.S. person; over the next 12 months, as I do, I he could take the bond in regis-tered form; or, to the extent that tax authorities would allow, he want to be locked up nice and markets gone mildly international? tight in a high yield without a call With all the uncertainties no With all the uncertainties, no

call, there might be profits to be on bonds by issuers like AT&T,

had. But few seemed willing to IBM and Philip Morris be able to

Alfa Seeks Waivers

one here was willing to venture

sion, a choice based on portfolio considerations. "They wouldn't speculate on politics," a banker LONDON (Reuter) — Grupo Industrial Alfa is requesting a waiver from holders of its \$75 mil-Speculation was something no lion floating-rate Euronote on one was very interested in Friday. agreements requiring the company to maintain certain financial ra-There were too many unknowns. If the language troubling the Enro-bond market were to be stripped tios, Bankers Trust said Friday as

from the tax package, as many here believed it would be, then the The waivers will be voted on by entire Friday the 13th exercise in noteholders at a meeting in London next Friday, Bankers Trust said in a statement here. The troubond and warrant.

The lead managers of the other issues were expected to follow suit.

The issues were to be signed after the issues would happen to the moment what would happen to the five issues with the five issues would happen to the five issues with the f bled Mexican company, which has suspended interest payments by some of its subsidiaries, owes about \$2.3 billion to foreign crediinvestors had responded to the Eurobond market if its attractive-

Would the market be able to Carl Gewirtz is on vacation. His and was willing to gamble on the adapt? Would a market so intent columns will resume Sept. 13.



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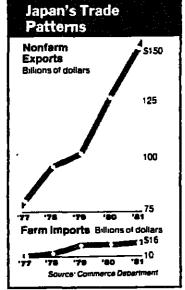
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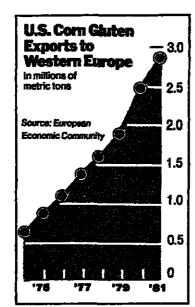
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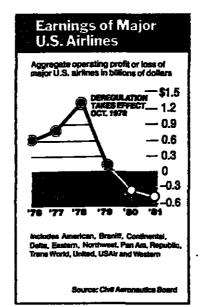
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WASHINGTON — CBS Re-

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# Whitaker's 2 Homers Pace Tiger Rout

Compiled by Our Staff From Dispatches
DETROIT — Lou Whitaker hit two home runs for the third time this season to back the seven-hit pitching of Milt Wilcox and Pat Underwood and power the Detroit Tigers to a 10-1 victory over the Kansas City Royals here Friday

night Whitaker limed a bases-empty homer leading off the first inning and a two-run shot, his 11th of the season, in a five-run fourth.
Wilcox (7-6), who recently came
off the disabled list and was mak-

ing his first appearance since July 19, gave up two hits and struck out seven during five shutout innings before giving way to Underwood, who earned his first save.

FRIDAY BASEBALL

Dave Frost (6-5) retired two batters after Whitaker's first home run, but Lance Parrish singled for the first of his three hits, moved to come to me. I'm not lunging. I'm second on a walk to Jerry Turner trying not to get too excited about

By Ira Berkow

New York Times Service NEW YORK — Tying his mana-ger into a motel room didn't have

anything to do with his being re-leased from the team, he says, and

he's probably right. It was more or less the kind of thing expected of

Jay Johnstone, known for his odd-

ball schemes and his line-drive

The manager was Tommy La-sorda, of the Los Angeles Dodgers.

It was in spring training last March in Vero Beach, Fla. The

Dodger bus was leaving at 7:30 a.m. for a trip to Orlando, where

the team was scheduled to play the

Minnesota Twins. Lasorda likes to

get up, have a nice breakfast and then travel.

When ready to leave his room, Lasorda found the door wouldn't

open. Perplexed, he looked outside

and saw that a rope was tied from his doorknob to a palm tree.

Breakfast Hound He picked up the phone to call

the front desk and discovered that the phone was dead. So naturally

he did the next best thing. He be-

Eventually, a laundry man freed

the manager, who just made the

bus. "Oh, he was mad," recalls

Johnstone. "Not just because he

was tied in his room. He missed

breakfast. Tommy's a guy who never met a meal he didn't like."

gan to scream and holler.

and scored on Chet Lemon's sin-

Lemon sparked the fourth-inning outburst when he singled and scored on Tom Brookens' seventh homer. Alan Trammell then walked and Whitaker homered, chasing Frost. Glenn Wilson later greeted Bill Castro with his fifth home run of the year.

Whitaker was the American League rookie of the year 1978, but then struggled through three seasons. "I'm just trying to take it all in stride," Whitaker said. "I'm having fun trying to do my best — and my best is turning out to be very good."

Since Whitaker was moved up to the leadoff spot on July 6, he has hit .386, raising his season average from .250 to .306. He had four homers and 24 RBIs at the time of the change; his respective totals now are 11 and 52.

"I'm older, stronger, more pa-tient. I'm waiting for the ball to

Cubs' Johnstone Still Plays It Loose

that only the mind of Johnstone could have conceived of, as the

facts would bear out, removing the inner parts of Lasorda's phone, and then getting up at 4 in the morning to tie the rope with a

"But Tommy and I are good

friends," said Johnstone recently, "and when he called me into his office and told me I was being re-

leased, tears were in his eyes and

he hugged me. He told me that it

wasn't his decision but the front

office. They wanted to go with a

Johnstone, a left-handed-hitting

outfielder, was dropped by Los Angeles at the end of May. He was

36 years old, and in his 17th sea-

son in the major leagues. He had been in only 13 games this season, all as a pinch-hitter. In the World

Series last year against the Yankees he hit a pinch-hit home run
that helped bring the Dodgers
back in the fourth game and they
went on to take the Series.

Johnstone was a hero. Now he

The last-place Chicago Cubs

picked him up.
It would be the eighth major

league team for Johnstone. One of those teams was Philadelphia,

where Dallas Green was the gener-

Green, who now holds that posi-

tion with the Cubs, thought that

stout sailor's knot.

younger player."

was gone.

al manager.

Lasorda didn't have to be told Johnstone, with a .268 lifetime bat-

what I'm doing. In the back of my mind I know it might come to an end." Red Sox 5, Orioles 2 In Boston, Dwight Evans dou-bled, tripled and scored two runs, and Jim Rice had three hits in helping the Red Sox snap a three-game losing streak with a 5-2 victo-

ry over Baltimore. Brewers 3, Blue Jays 1 In Milwankee, Pete Vuckovich pitched a seven-hitter and Jim

Gantner singled in the go-ahead run to cap a two-run fourth as the Brewers beat Toronto, 3-1. Yankees 4, White Sox 3 In Chicago, Rick Cerone's leadoff home run in the seventh broke a 3-3 tie and helped New York

beat the White Sox, 4-3. Rangers 8, Indians 7

In Arlington, Texas, Dave Hostetler's bases-loaded sacrifice fly delivered George Wright from

ting average, could still hit and he'd also be a good "loose" influ-

ence on the younger players. "I knew I could still play," said John-

stone. "The Dodgers didn't think I could even field anymore."

several game-winning runs. He has continued to be a solid hitter for the Cubs, now hitting 269 with eight home runs and 29 runs bat-

Beyond that, he has been superb

in the field, climbing the vines on the Wrigley Field wall to make catches and picking others off his

shoetops. He's also run in a few

times only to see a ball going over

his head — and has made some

great catches in order to save him-

He's playing though, and happier doing that with the Cubs, he says, than sitting on the bench in

Los Angeles, even if the Dodgers

are in another pennant race.

"We're fighting to get out of last place," he said. "That's our goal. The Cubs have finished at the bot-

tom the last two years. I'm trying to help them start to climb."

In the clubhouse, he keeps the

barracks-room banter lively, such

as getting Bill Buckner a lamp shade to replace his glove after

making an error on a pop foul.
"It's so we don't get down too
bad on ourselves," he said. "We all

He hasn't done anything as out-

rageous with the Cubs as he did

with Los Angeles, such as when he and the pitcher Jerry Reuss dis-guised themselves as grounds crew

members and dragged the infield in the middle of the fifth inning. "Sometimes," said Johnstone, you've got to do something to re-

lieve the pressure. You've got

50,000 people plus management ready to applaud or boo whatever

Johnstone, like the rest of us, is

in part a product of his environment. And Johnstone's major league milieu began with his first

roommate in the major leagues, Jimmy Piersall. It was with the An-

"Once," said Johnstone, "he was

in center field in Yankee Stadium and hid behind the monuments because our pitcher was getting bombed. Jimmy said it was too dangerous and he had a wife and

nine kids to support.
"The manager, Bill Rigney, had to go out there and get him back.

"How to study pitchers, how to

play an offensive outfield - not to

out things I never realized.

make errors."

gels in 1966

The Cubs put him in right field when he joined them on June 2. In his first 13 games, he went 15 for 43 — a .349 average. He drove in

ninth-inning o meback that gave Texas an 8-7 ictory over Cleve-land. Twins ? Mariners I

In Minneapciis, Gary Ward and Gary Gaetti singled in runs and Bob Castillo pitched a three-hitter as Minnesota beat Seattle, 3-1. Angels 9, A's 0

In Oakland, Calif., Mike Witt pitched a four-hitter for his first shutout of the season and Reggie Jackson hit his 27th home run to belo California trounce the A's, 9-0. Witt struck out four and walked two for his seventh victory against

Expos 3, Phillies 2

In the National League, in Montreal. Doug Flyan tripled home two runs in the second as the Ex-pos edged Philadelphia. 3-2, depos eagen rimancipina. 5-2, despite being held to three hits. Montreal took a 2-0 lead in the second against Mike Krukow (11-7). With two out, Tim Wallach singled and Chris Speier walked before Flynn tripled down the left-field line. The Expos increased their lead to 3-0 in the third on Al Oliver's RBI single. Bo Diaz hit his 18th homer of the season in the Phillies' fifth.

Pirates 7, Cardinals 4

In Pittsburgh, Tony Pena and Bill Madlock hit bases-empty home runs and Mike Easler went 3-for-3, including an RBI double, to power the Pirates past St. Louis,

Reds 3, Astros 0

In Cincinnati, Frank Pastore pitched a five-hitter and Johnny Bench drove in one run and scored another on a double by Ron Oester to lead the Reds past Houston, 3-0. Pastore struck out eight and walked none in pitching his second shutout and third complete game of the season.

In New York, George Foster

Mets 6, Cubs 4

drove in two runs, one in a threerun seventh, and Jesse Orosco (2-7) pitched the final three innings in relief of Pat Zachry to lead the Mets past Chicago, 6-4. Padres 7, Braves 4

In San Diego, rookie Tony Gwynn's bases-loaded single drove in the tie-breaking run, and Kurt Bevacqua cleared the bases with a pinch-hit double in the seventh to give the Padres a 7-4 triumph over

Dodgers 6, Giants 1

In Los Angeles, Pedro Guerrero hit a three-run homer and Bob Welch (14-7) pitched a three-hitter for his fifth straight victory, leading the Dodgers to a 6-1 victory over San Francisco.

Transactions

American League
DETROIT—Removed Richie Hebner, first
basentan, from the active roster and sut his
contract up for sale.
NEW YORK—Purchased the contract of Lynn

Tidewater of the International Leas Terry Leact, pitcher, to Tidewater. SASKETBALL Mattenal Seskethell Association
SEATTLE—Released Dove Harshman.
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"But at night, we'd by lying in bed and Jimmy would say. You sleeping?" I'd say, Kinda. And then he'd talk baseball and point

# play it too safe — and to hustle, not walk to your position. "Jimmy," said Johnstone, "was smart as a fox." Jay Johnstone showed up in decidedly nonprescription sunglasses for the opening day of the Dodgers' 1982 spring training. **CLASSIFIED ADVERTISEMENTS**

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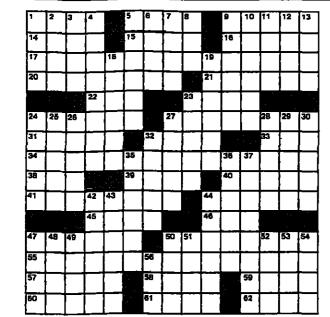
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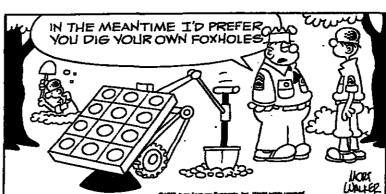




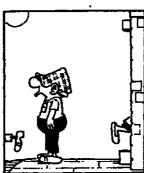
























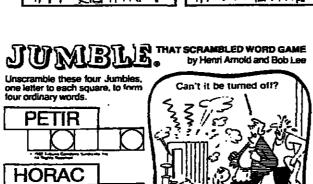












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# **BOOKS**

THE ROAD TO OXIANA

By Robert Byron. With a new introduction by Paul Fussell. 292 pp. **\$**7.95.

Oxford University Press, 200 Madison Ave., New York, N.Y. 10016 visualization or an intimate acquain-Reviewed by Anatole Broyard tance with the local architecture to

FOR years I've heard or read of Robert Byron's "The Road to Oxiana." one of the famous English Oxiana. One of the famous English travel books of the great period between the two World Wars. In his "Abroad," Paul Fusell says that "what 'Ulysses' is to the novel between the wars and what 'The Wasteland' is to poetry, 'The Road to Oxiana' is to the travel book."

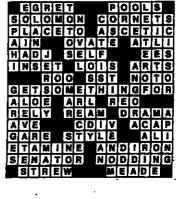
I tried everywhere to find the book, without success. Now, for the first time, Oxford University Press has made it available in the United States and, as I might have expected, the book is a bit of an anticlimax. It's a good book, very good in fact, but I can think of a number — some of them relatively unsung - that are bet-

Graham Greene's travel books are more profound: Peter Mayne's "The Alleys of Marrakesh" is more charming: so are King Lake's "Eothen" and J.R. Ackerley's "Hindoo Holiday." Eric Newby's "A Short Walk in the Hindu Kush" is funnier, and all of Evelyn Wangh's travel books have more sheer literary merit.

In his introduction to "The Road to Oxiana," Paul Fussell makes a virtue of several of Byron's rather highhanded approaches to travel writing. He seems to think it a virtue that the book is written in a discontinuous style, passing without transition from place to place, day to day, or mood to mood. But while in 'The Waste Land" or "Ulysses" these discontinuities are meant to function as deliberate dramatic appositions. Byron's strike me as determined by the flickerings of his interest. From a literary point of view they seem to be essentially casual or improvisational shifts.

Byron himself complains that read-ing Proust during his travels has in-fected him with uncontrolled detail. and indeed he does go on longer than I would have wished in describing certain buildings in Persia and Afghanistan. It seems to me that one would have to have considerable powers of

Solution to Friday's Puzzle



According to Christopher Sykes, his companion during most of his travels. Byron was a very poor linguist, and as a consequence all of the non-English conversations recorded in the book are invented. Though it is generally the case that invented conversations are superior to actual ones, this is a travel book and perhaps it requires a new definition. Perhaps it is closer to something like Henri Michaux's imag-inary travels than to the great English

profit by these descriptions.

The best part of "The Road to Oxi-

ana" derives not so much from Byron's scholarly or literary capacities as from his antic disposition. And he is very antic. According to Fussell, he used to escape from school dressed as an electric woman and in later life he

an elderly woman and in later life he liked to attend smart London parties dressed as Queen Victoria. Such a man might just have something origi-nal to say about Persia and Afghani-stan

**Invented Conversations** 

tradition of the '20s, '30s and '40s. Like so many English travelers. By-ton goes in for what I would call con-spicious discomfort. He has an ulcerated leg, he sleeps in a garden full of snakes, or scorpions or wasps. His sleeping bag disgorges 22 insects. He consumes inedible food and undrinkable drinks. I am tempted to ask why. What part does this discomfort play in his travels? And the only answer I can suggest is a variation of Thorstein Veblen's conspicious consumption. Byron suffers his insights; they constitute a painful rite de passage into the

He has that wonderful kind of British snobbery that seems to be based entirely on aesthetic criteria, on manners and form. It is a fine tool for poking around people and places, and confers an almost ennobling insouciance on everything he says and does. "Mr. Sykes talks to peasants." and

so he was refused visas to certain places. Byron complains that "to asperse a sunset in these days is a political indiscretion." Not surprisingly, the local authorities were often unwilling to believe that he was what he said he was: Just a traveler.

He certainly was not just a traveler, but I'm not sure how I would describe his peregrinations. The closest I can come is to say that he seemed to be looking for a place or a culture that would serve as a stage for a drama that he had not yet conceived - that. in fact, may even be inconceivable.

Anatole Broyard is on the staff of The

# **BRIDGE**

By Alan Truscott

ON the diagrammed deal North opened one spade with a thin hand that most players would prefer to pass, especially when vulnerable. The development of the auction no doubt made him wish that he had passed, for he was in a difficult situation on the third round. His partner had doubled the one no-trump overcall and then jumped to three hearts. Notice that South did not bid four hearts, since she was willing to play three no-trump if her partner held a

club stopper.
North could not bid three no-trump and he was not inclined to rebid his feeble spade suit. Writhing mentally, he raised his partner to game in hearts. West led the diamond nine, and South had to plan the play.

There were nine tricks in sight, but no obvious tenth unless the diamonds broke favorably. The spades might produce a trick, but for that purpose it was important to preserve entries to the dummy. South therefore won with the diamond queen in her hand and drew trumps.

The no-trump bid by East made it quite clear that the ace-queen of spades were on that side of the table. So South pinned her hopes on the ten. and led her singleton spade to dum-my's nine. This deep finesse worked as planned, and East had to win with the queen. Now it was an easy matter

to establish and utilize a spade trick in dummy, ruffing out East's ace and us-

ing dummy's diamonds as entries.
If East had held the spade ten instead of the four, he would have had to avoid a trap. If after taking the ten he had led three rounds of clubs. South would have been able to ruff and lead one more round of trumps. And with the ace-king of diamonds still in the dummy, South would have brought off a rare trump squeeze, ful-

ly worthy of the grandmaster rank she :

was due to earn 14 years later.

NORTH(D) ◆ K J 986 ♥ 93 WEST **EAST 10732 ♦**AQ4 ♥65 ♦ J 1042 **▽1087** ♣AKQ8 **4J973** SOUTH

VAKQJ42 North and South were vulnerable. The bidding: North 1 N.T. Pass

West led the diamond nine.

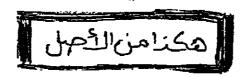
## **RADIO NEWSCASTS**

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\_\_\_copies of THE FRONT PAGE

SAN DIEGO - The Atlanta

Braves broke an 11-game losing streak Saturday night, edging the San Diego Padres, 6-5, when Rufino Linares delivered a pinch-hit.

cuo rus single to shallow center field in the eighth inning. In the eighth, Biff Pocoroba opened with a walk against Juan Eichelberger and Rafael Ramirez was safe when second baseman Tim Flannery booted his groundof Terry Harper drew a walk to load the bases and Linares then stroked & 1-1 pitch from Gary Lucas to drive in Pocoroba and

It was Atlanta's first victory since Aug 2. The Braves had dropped 15 of their last 16 outings in skidding from a nine-game lead in the National League West.

Phillies 15, Expos 11

In Montreal, Bill Robinson ignited a time run eighth with a single and capped it with a grand-slam home run as Philadelphia held on for a 15-11 rain-delayed victory over the Expos. The vic-tors' Pete Rose had five official athats, the first of which established a major-league record of 12,365. The decision broke a three-game osing streak for the Phillies.

Cardinals 4, Pirates 1

In Pittsburgh, Lonnie Smith hit a two-run homer and Darrell Por-

a run apiece to lead the Cardinals past the Pirates, 4-1. John Surper (5-2) went 71/2 innings for the victory; Bruce Sutter earned his 24th save of the year.

Cabs 7, Mets 4

In New York, Jody Davis drove in four runs and Steve Henderson broke a sixth-inning tie with a

BASEBALL ROUNDUP home run to help Chicago down

the Mets, 7-4. Henderson's homer came off reliever Pete Falcone (6-8). Mike Proby (3-2) relieved Ferguson Jenkins in the fifth. Lee Smith earned his seventh save.

In Cincinnati, Bob Knepper and Randy Moffitt combined on an eight-hitter, and Tony Scott drove in one run and scored another to boost Houston past the Reds, 2-0. more past the Red Sox, 5-2. Loser Bruce Berenyi gave up five hits and one unearned run through seven innings:

Giants 4, Dodgers 2

In Los Angeles, Chili Davis and Joe Morgan hit bases-empty home runs to pace San Francisco's 4-2 decision over the Dodgers - Jim Barr's first victory over Los Angeles in eight years. Barr (3-2), who returned to the Giants as a free agent this year, scattered nine hits a two run homer and Darrell Por-ter and Mike Ramsey drove home. Combined with Atlanta's victory

Seturday's Results



108 060 000--1 3 3

Cleveland
Tercis
Sulcitite, Selliner (7), Glyan (7), Anderson (7)
and Bando, Hossey (7); Tonopo, Derwin (7) and
Sunthers. 6:—Darwin, 5-6, L.—Selliner, 5-7. Terc
HRs—Cleveland, Thornton (24), Manusins (4), Mith

Montreal 221 000 00x-3 3 0 Krukow, McGrow (5) and B.Diaz; Palmer,

8 B.Smith (3), Recreton (6) and B.Dicz; Patmer,
8 B.Smith (1-), Recreton (6) and Carter, W—
8 B.Smith (1-), Recreton (1-) and Carter, W—
18 B.Smith (1-), Recreton (1-) and (1

Major League **Standings** 

NATIONAL LEAGUE

Division

W. L. Pcl. G8

45 52 545 —

45 51 540 ½

41 54 530 4

60 55 532 5

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50 49 45 20 15½ .557 548 530 517 AMERICAN I FARME .91) .543 .531 .504 .604 .479 .573 .516 .544 .4% .436 .407 .245

AMERICAN LEAGUE Addition 7-9, L.—Perry 7-18.

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Coffernio 000-0. 5 0
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Lalistra, Roberge (8) and Putch, Ashly (8);
Coffernio 010 000 000-1. 9 1
Costorie and Friedric W-Patters, 427 E. Rocks, Hossier (5). Kisen (7), Shirer (8) and Milleland, 11-9. dos 018 010-2 4 5 Boone; Kaough. 13/2 Lander vool (7) and Ne 221 909 000-3 3 9 W-Keesgh, 18-15. L.—Rento, 10-4. and B.Dioz: Poiner. Ookland, Pope (1), Murphy (18). Beatmore 800 100 3-6 11 1 Beaton 900 8-2 4 1 Patmer, T.Abertinez (91 and Nolon, Dempsey (10): Eckersley, Clear (7) and Gedmon, Allensor (18), W.-T.Marfinez, P.A. L.-Clear, 9-S. HRs-Baltimore, Ripken (16). Boston, Evens (19), Rice (18). MATIONAL LEAGUE

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Almton (9) and May: Stawart, Wright (8) and
Yeoper, W.—Berr, 3-2, L.—Stawart, 7-7, HRs.—Son
Francisco, C.Davis (72), Morgan (10),
Atlanta
300 207 226—6 9 2
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Beach (4) Factor (8) and Sprompton

Perez, Moore (4), Garber (5) and Poorrobu;
Mantelucca, Chiffer (4), Curtis (6), Elchelberger
(7), Lucas (8) and T.Kennedy, W—Moore, 7-0.
L—Elchelberger, 6-16.
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Kennedy M 

Philipdeliphic (20 002 922—15 19 2 Menthred 409 009 403—11 12 1 Cartion, J.Reed (7), R.Reed (8) and B.Dioz; Sanderson, B.Smith (7), Frymon (8), Reardon (8), Berris (8), Schotzader (8) and Corter, W—J.Reed, 1-4. L—Reordon, 4-2. HRs—Philipdeliphic. B.Robinson (6), Menthred. Carter (22).

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St. Louis.

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D.Perter (8); Condeterio, Telaulve (8), Scurt)

P) and S.Diez. W.-Stuper, S.C. L.—Condeterio, 95. HRs.—St.Louis, La.Smith (7). Pittelurre,
J.Thorneson (22).

J.; company (22).
Chicago 222 602 180—7 13 8
New York 307 129 600—4 9 0
Jenkins. Proty (5), Le.Smith (9) and J.Davis:
Swan, Felcone (3), Housman (7) and Hodges.
W—Prety, 3—2. L.—Felcone, 6—E. HR—Chicago.
Headerson (2).



over San Diego, the loss cut the Dodgers' Western Division lead over the Braves to 11/2 games.

Royals 1, Tigers 0

In the American League, in Detroit, reliever Dave Tobik's basesaded walk to Greg Pryor in the ninth forced in the game's only run as Kansas City beat the Tigers, 1-0. Dan Petry (12-7) held the Royals to five hits and struck out the first two hitters in the ninth. But Steve Hammond singled, and after Petry threw 10 straight balls in pitching to Frank White, John Wathan and Pryor, Tobik relieved. Tobik went to a 3-2 count before issuing the outside pitch that forced in the deciding run.

Orioles 5, Red Sox 2

In Boston, Joe Nolan hit a runscoring sacrifice fly in the 10th and Rich Daner capped the inning with a two-run single to lift Balti-

A's 10, Angels 1

In Oakland, Calif., Dwayne Murphy scored four runs and drove in three with a homer, double and single in leading the A's 10-1 rout of California.

Blue Jays 4, Brewers 2

In Milwankee, Anthony Johnson tripled in two runs to trigger a three-run ninth, and Dave Stieb scattered eight hits to spark Toronto to a 4-2 victory over the

White Sox 6, Yankees 0

In Chicago, Carlton Fisk's three-run home run in the third helped the White Sox to a 6-0 whitewash of New York, LaMarr Hoyt (14-10) gave up three hits as Chicago won for the 13th time in 16 games. Shane Rawley (6-8) took the loss for the Yankees, who fell below the .500 mark.

Rangers 3, Indians 2 In Arlington, Texas, Larry Parrish's one-out homer off Len Barker in the ninth lifted the Rangers past Cleveland, 3-2. The winners' Mike Richardt had contributed a tworun single that tied the score, 2-2, in the seventh.

Mariners 3, Twins 1

In Minneapolis, Dave Revering's bases-loaded pinch-hit single drove in two runs to cap a threerun eighth that lifted Seattle past Minnesota, 3-1.



Elio de Angelis, right, nipped Keke Rosberg by 25-hundredths of a second Sunday in Austria.

# U.S. Swim Teams Ill-Prepared

By Robert Fachet Washington Post Service

WASHINGTON - In the U.S. view, the recent world championships at Guayaquil, Ecuador, the most important swimming meet outside the Olympic Games, was a disaster from the moment the United States was awarded the host role several years ago.

The event proved too costly to implement without federal assistance, which was not forthcoming, so it was turned back to FINA, the international governing body, and eventually Ecuador came to the rescue of its embarrassed northern neighbor.

The competition went so badly for the Americans, with eight gold medals to the East Germans' 12, that a spokesman at the U.S. Olympic Committee headquarters in Colorado Springs suggested that they probably should hang some black crepe from the building.

But across the street at the offices of U.S. Swimming, the recent replacement for the Amateur Athetic Union as the sport's U.S. governing body, Executive Director Ray Essick declined to go off the deep end.

This is a stimulus, and we are not looking at it

negatively," said Essick, unimpeded by congratulatory telegrams. "We didn't come back with our tails between our legs. For one thing, the rest of the world has caught up a little bit. For another, we did not swim well, but few performances were that spectacu-

lar.
"Early August is too early for this meet. Everyone
"Early August is too early for this meet. Everyone
In Cali [Colombia] in the future wants it to be later. In Cali [Colombia] in 1974, at this time of year, there were mediocre performances. In Berlin in 1978, the meet was later and the whole world performed very well."

The United States was particularly good in Berlin, winning 20 of 29 golds as U.S. women rebounded from a 1-for-12 showing in the 1976 Montreal Olympics. Supposedly, American swimmers were back on top, so it was a shock for some to find a recession in Greaten will tasked onto the basis of the Olympic box. Guayaquil tacked onto the heels of the Olympic boycott. Three U.S. world record holders were beaten one of them twice - as times in many cases proved disappointing for so prestigious a meet.

Coach Mark Schubert and some of his swimmers cited as a key problem the short time span between the U.S. trials, which concluded July 24, and the Aug. I start of the world championships.

Serious Training: 'Questionable'

But both Essick and Schubert pointed out that it would have been difficult to schedule the trials earlier, because the U.S. college season ended in March and most swimmers took long breaks, for study or relaxation, following the conclusion of the U.S. Short Course Championships on April 10.

"How much serious training was done after the college season is questionable," Essick said. "There was no way we could have our trials any further

away. The kids were not at all ready.
"We don't pick our team like other countries, where they know ahead of time who'll make it and train accordingly. Just surviving our trials is an ac-complishment. We left three world record holders home who didn't make the team."

The 1984 Olympics will be held even earlier, but Essick sees no difficulty in preparing for them, because "the kids will take a semester, or even the whole year, off from school.

"Nobody took time off to prepare for Ecuador."

to Tillis' fights, was left to promote

exclusive promotional contract his

Terrell senses an impatience

mong those around him. Fighters,

portant fights after a string of too-

easy victories. Patrons, meanwhile.

want to watch, in person, the fight-

That impatience is not a new

feeling for Terrell, who says the ex-

pectations that others have had for

him have always been just beyond

No-Win Situation

ers they've seen on television.

what he has produced.

fighters now sign.

woman carries about the ring be-tween rounds were forgotten one Boxing Council's heavyweight

# Transcos, Poerrish (7). Colifornia: ANT. 840 000-9 11:0 Wiff and Boones: Norris, Jones (1), Honnia (4). Northinko: (4) and Mileonia: Wiff and Boones (2). Northinko: (4) and Mileonia: Wiff and Wiff and Boones (2). Northinko: (4) and Mileonia: Wiff and Wiff an

New York Times Service

CHICAGO - Despite his considerable bulk, there is nothing menacing about Ernie Terrell, once the World Boxing Association's heavyweight champion and now the promoter of guished fights.

Unlike the great fighters and promoters who, by the compelling aspects of their personalities, de-fine fans' preferences, Terrell reacts to what he thinks people want. "How do you please a fight fan?" he will ask. "I just really don't know. Do you?" He paces anxiously at the fights

he promotes. His face shifts from looks of worry to those of pain. He seldom sits as promoters do; instead, he runs to find chairs for patrons who call him by his first name. It is as if he were hosting a party that he is sure will flop un-less he keeps every glass filled.

In the five years since Terrell, now 41, began promoting fights here, he has labored to draw the sorts of matches, crowds and boxoffice revenues that will make him a matchmaker of significance. And

although his monthly shows in the cards that a scantily clad young appeared on several Terrell cards, ornate ballroom of the Bismarck woman carries about the ring beornate ballroom of the Bismarck Hotel attract perhaps 2,500 patrons and bring receipts of \$20,000, he remains a promoter of

They are often one-sided sluggboping to climb in the rankings and opponents of dubious talent who might be bused in to fight for minuscale purses in bouts they innocently think they can win.

When the fights are particularly sloppy and when the crowd many of whom make liberal use of the bar - begin laughing and hurling invective at the souls in the ring, a look of discomfort comes to Terrell's face.

Things often go wrong. Fighters, for example, might not show up. "Substitutes," he said. "They just

Employees also have been known not to appear on schedule. Before a recent fight, Terrell sat in the ticket booth, his bulky frame filling the narrow box because a ticket seller had not shown.

Necessary equipment is also misplaced: The big numbered

"When I was fighting, I'd knock a guy out in the first round and they'd go, 'Ernie, why didn't you let it go for a while?" he said. "If you knock a guy out in the first round, they say the guy's a bum. If it goes all the way, you can't who, Terrell pointed out, is not Jewish. "Oh, the Italian Assassin, don't forget him," he said, smiling. "I don't know what it is, man. I But he now thinks that some of don't know what people want."

Terrell became a champion in 1965 after the WBA stripped Muhammad Ali of its share of his title for fighting an unsanctioned rematch with Sonny Liston. Terrell his contractual control. When James (Quick) Tillis, who had defeated Eddie Machen in a championship bout booed by those in attendance in Chicago. He defended his title against George Chrvalo and won \$45,000 in 1966. The year before, Ali received \$750,000 for defeating Floyd Patterson. The two champions fought in



Ali received a unanimous decision in a fight best remembered for Terrell's stamina — he endured 15 rounds of punishment. Terrell retired soon after that and sang with his brothers and sisters in a group called Ernie Terrell and the Heavyweights. They played Las Vegas and appeared on television. Three years later, he re-turned briefly to boxing, won several bouts but retired for good af-ter losing on a first-round knock-out to Jeff Merritt in 1973.

the Houston Astrodome in 1967.

Terrell recalled fight posters

featuring Ali's name in great, bold letters while his, he said, "looked like the small print on an insur-

ance policy."

His comeback fights drew small crowds, although he told interviewers that he planned to alter his style and become a knockout puncher because that was what people wanted.

"People want to see somebody get like a wild animal," Terrell said. "People like to see a show. The fans, in general, don't like a good fight. They like what boxing trainers call 'dumb fighters.' Who can take the most? It's like Rocky beating up the bully. That's what the public wants.

"But reality is not that way. I don't know what they want to hear from a fighter."

More Sports

On Page 11

# De Angelis Wins **First Grand Prix**

Angelis of Italy held off a late challenge by the Williams of Keke Rosberg to drive his Lotus to victory in the Austrian Grand Prix nere Sunday. It was de Angelis' first grand prix triumph ever.

Handed the lead six laps from the finish when Frenchman Alain Prost's turbo-charged Renault caught fire, de Angelis saw his four-second advantage over Rosberg slowly dwindle as the Finn went all out.

Rosberg swung out of the de Angelis' slipstream off the last bend, but the Italian held on to cross the finish line in 1.25:02.212 hours - 25-hundredths of a seconds ahead of Rosberg.

The winner averaged 138.1 miles per hour (about 221 kph) for 53 laps of the 3.692-mile Oesterreichr-

ing, totaling 195.676 miles (about 313 kilometers). Just before the start, de Angelis signed for another season with the Lotus team, which delighted team

boss Colin Chapman. Chapman's assessment before the flag dropped on Sunday's 26-car grid: "I am happy de Angelis will be staying with us. He is a potential grand prix winner. Frenchman Jacques Laffite, who

won this event last year, brought his Talbot-Ligier home in third. one lap behind de Angelis, with compatriot Patrick Tambay, who won last week's German Grand Prix, fourth in a Ferrari.

Local hero Niki Lauda, world champion in 1975 and 1977, was fifth in his McLaren, ahead of Italian Mauro Baldi in an Arrows.

Brazilian Chico Serra, was an-ZELTWEG, Austria - Elio de other lap back in his Fittipaldi, was the only other driver on the circuit at the finish.

The result left Frenchman Didier Pironi, still in the hospital after crashing in practice last week, at the top of the drivers championship standings with 39 points.

Rosberg moved up to second on 33 points, three better than Britain's John Watson, with Lauda fourth on 26; Prost is fifth (25) and

de Angelis sixth (22).

Prost was more than half a minute clear of de Angelis when his unreliable Renault ground to a halt on the 47th lap with a flurry of flames licking at the engine.

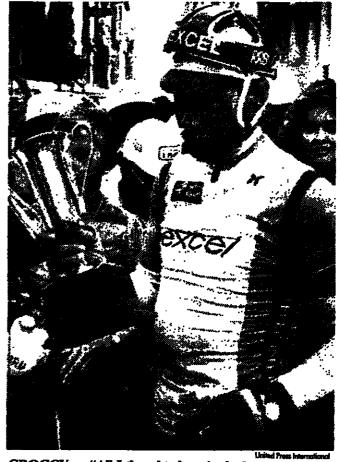
Quick in the Pits

The Frenchman had taken the lead from Riccardo Patrese 20 laps earlier when the Italian spun off the track after making a spectacu-lar pit stop. His Brabham, which started the race on soft tires and with only half a tank of fuel, was refueled and given a complete tire

change in less than 15 seconds.

Patrese had led from the second lap, taking over from Brazilian teammate Nelson Piquet, the world champion, who made a similar stop but was forced to abandon with engine trouble on the 31st

Neither of the two Alfa Romeos reached the first bend. The cars of Italians Bruno Giacomelli and Andrea de Cesaris tangled in the congested surge away from the grid. Derek Daly's Williams was also in-volved in the snarl, and the Irishman also was obliged to watch the race from the pits.



GROGGY -- "All I thought about in the last six days was going to sleep," said Lon Haldeman, a 24-year-old bicycle store manager from Illinois, after he finished a recordbreaking cross-country performance in the Great American Bike Race in New York on Saturday. Making the 3,000mile run in nine days, 20 hours, and two minutes, Haldeman broke the mark of 10 days, 23 hours, and 27 minutes that he set last year. He and three other cyclists left Santa Monica, Calif., on Aug. 4. Headed only once — for less than a minute just after the start — Haldeman averaged three hours of sleep for every 24. He said his only injury was a pulled muscle sustained "somewhere in Maryland."

# **SPORTS BRIEFS**

# All Blacks Beat Australia, 23-16

CHRISTCHURCH, New Zealand -- New Zealand's rugby union All Blacks defeated Australia, 23-16, in a test match here Sunday after leading, 19-3, at halftime. New Zealand won by four tries, two conversions and a penalty to two tries, one conversion and two penalties.

The Wallabies had won four of the five previous tests between the two countries, but on Sunday the All Blacks dominated in both set and broken play and did not relinquish control until the game was in hand.

# U.S. Pacer Sets Record for Mile

EAST RUTHERFORD, N.J. - Genghis Khan broke the world record for the mile with a timing of one minute, 51 and four-fifths seconds in a

nonbetting three-horse harness race here Friday night.

Genghis Khan, a pacer driven by Bill O'Donnell, erased the old mark of 1:52.1 established by Niatross at Hollywood Park Nov. 15, 1980. In breaking the record, Genghis Khan also lowered the Meadowlands record of 1:52.4, which he set June 17.

# Evert, Mascarin to Meet for Title

ATLANTA - Top-seeded Chris Evert Lloyd defeated No. 4 seed Mary Lou Piatek, 6-2, 6-2, Saturday to move into Sunday's final of the Atlanta Women's Tennis Classic against Susan Mascarin, who triumphed over Dana Gilbert, 3-6, 6-4, 6-4 in the other semifinal.

Evert had beaten Yvonne Vermaak of Australia, 6-3, 6-1, in a quarterfinal match Friday, while Piatek defeated Wendy White, 6-2, 6-4. Mascarin downed Dianne Fromholtz, 6-3, 4-6, 6-2, to advance against qualifier

# Norris Keeps Lead in U.S. Golf

WETHERSFIELD, Conn. - Tim Norris shot a 5-under-par 66 Saturday for 20-under total 193 and a four-stroke lead after three rounds of the Greater Hartford Open golf tournament.

Norris had a 64 Friday to increase his one-stroke opening-day lead at the tournament's midway point. Norris' 127 had tied the low 36-hole total on this year's PGA Tour and had put him three shots up on Ray Floyd and Gavin Levenson.

Floyd had a third-round 67 and a 197 total. He shared second with Mark Calcavecchia, whose 65 on Saturday included six birdies. In third place was defending champion Hubie Green, who had his third straight 66; Levenson had a 69 and headed six players at 14-under 199.

## Cobb-Weaver Bout Set Oct. 23

EL PASO, Texas - The World Boxing Association heavyweight title fight between champion Mike Weaver and Randy Cobb, twice post-poned by injuries, will take place Oct. 23 in Las Vegas, the fight's pro-

The bout was originally scheduled for June 2 in Atlantic City, N.J., but was delayed when Weaver injured his hand. The fight was re-scheduled for July 25, but was again delayed when Cobb - ranked eighth by the WBA — suffered a split lip.



ansas City wide receiver Carlos Carson, right, outfought Cin-man's Bebly Kepp for the ball and scored a touchdown 39

Lendl and Gerulaitis in Final United Press International

TORONTO - Ivan Lendl overpowered John McEnroe, 6-4, 6-4, Saturday to advance to Sunday's finals of the Canadian Open tennis championships against Vitas Geru-laitis, who advanced earlier in the day when Jimmy Connors withdrew from the tournament with a back injury.

Lendl had defeated No. 11 seed

Shlomo Glickstein of Israel, 6-4, 6-

2, in a quarterfinal match Friday, while McEnroe had beaten Henri Leconte of France, 7-6, 6-2. Connors ousted Lloyd Bourne, 6-4, 6-2, and Gerulaitis beat eighth-seeded Steve Denton, 7-6, 6-3. Lendl, whose blazing serve and forehand have earned him more than \$1.6 million in 1982, has lost only one set in five straight conquests of McEnroe dating from the quarterfinals of the 1980 U.S.

Open. Lendl has beaten McEnroe

in five of eight professional meet-CFL Standings EASTERN DIVISION W L T PF PA 3 2 1 157 149 3 3 0 149 168 1 4 0 114 136 1 3 8 39 117 WESTERN DIVISION

NFL Exhibition Games

as City 24 Cincinnati 20 Seattle 14.5% Looks 8 Salurday's Results
L.A. Rolders 17, San Francisco 14 LA. Rosess 17, 3eg Presc Buffeto 14. Delfes 10 Clevetand 17, Defroit 16 Denver 32. LA. Roses 28 Attenta 28. Minnetate 17 Green Bay 27, N.Y. Jets 19 Baltimore 19, N.Y. Giords 14

Lendl, seeking his third straight Canadian Open title, used uncom-plicated methods that have become all too familiar to McEnroe. His serve was crushingly precise and his forehand cut off McEnroe's charges to the net.

The tall right-hander required three breaks against his opponent. He took the first in the seventh

game and another in the ninth game after McEnroe recorded his lone break of the day. Lend's third break came in the ninth game of the second set on a cross-court forehand that gave him a 5-4 lead and allowed him to serve for the "I've improved my game, and was returning his serves a lot bet-ter," said Lendl. "It was the first

time in five months" - since a four-set victory over McEnroe at the WCT final in Dallas — "that I've met him. He's a tougher player, so I have to play him tougher, but there's no reason for me to be intimidated if I play well against

"I'm disappointed with my effort," said McEnroe, who this week ended a five-week layoff that began after his loss in the Wimbledon final to Connors. "You can think of 15 excuses but right now I have no claim to being No. 1 in the world."

"He has confidence and he is improving all the time." McEnroe said of Lendl. Tournament officials were stunned by the withdrawal of Con-

nors, who had won in straight sets through his first four matches of the tournament. "Connors arrived here at the beginning of the week with a strep throat and a sore back," said an organizers' statement released Saturday. "He was taking antibiotics for the throat condition. Yesterday he aggravated his back further in his match with Lloyd Bourne."

Tourament director John Beddington said Connors' back injury resulted from a chronic lumbar

night. Terrell, anticipating that the championship last year in a suburcrowd still hoped to gaze at the ban Chicago arena, the bout was young woman, dispatched her to arranged by Bob Arum, one of the ring for a quick appearance. boxing's major promoters.

Dressed in a string bikini, she

Terrell, who had no legal claim paraded with arms held high. the preliminaries. He says that he has since learned the value of the The crowd indicated its considerable pleasure. But Terrell shook his head, embarrassed as if he were ber father. "We got ladies and kids out there. She's dressed kind of skimpy," he said. along with their managers and fi-nancial backers, are eager for im-

"I'm not making a lot of money off this," he said. "You know you have to pay your dues on the way up. But all you need is one guy who can go. I'm on the brink of doing something great as soon as I can get a contender in here."

Before Terrell began promoting his shows, there was virtually no professional boxing in Chicago. His early cards featured such names as Quick Money Lumpkin, Sugar Bear Williams, Bull Dog Patterson and Young Joe Louis. His shows have since included Sugar Ray Johnny, Dr. Herbert Odom - the 49-year-old fighting dentist - and Sugar Lee Cohen

his boxers are ready to fight on television. Some already have. That, however, was before Terrell discovered that a promoter is only as successful as the fighters under

# Détente in the Classroom

By Phyllis Theroux Washington Post Service

WASHINGTON — A shiny red van pulled up to Janney Elementary School. The children who got off wore the same kind of wash and wear outfits that Sears. Roebuck sells across the street. But appearances are deceiving. These children are not like the free-wheeling Janney kids in most ways. They live within a walled compound. Their exposure to U.S. life is infrequent and highly chaperoned outside their compound's walls. This day was no exception — the visiting students were ac-companied by the second secretary of their embassy, the press secretary, their headmaster and a halfdozen other adults.

Upstairs in her office, Janney's principal, Harriet Murphy, glanced at her wristwatch. Someone poked a head into the office and repeated a movie title: "The Russians are coming!"

"They're 15 minutes late," said Murphy, who runs a very tight ship.

This was the third encounter between a handful



Basketball at Soviet compound.

of Soviet and American children who live in Washington. They were brought together under the aegis of the small, federally funded Embassy Adoption Program, which this year linked 25 elementary schools with as many foreign countries. Through embassy tours, culinary demonstrations, pen-pal exchanges and the holding of a "mini-United Na-tions," where each school represents its "adopted" country's position on an issue, the program is de-signed to teach American children that there is more than one way to wear a hat.

#### Firsthand Glimpses

The Janney school "adopted" the Soviet Union. Unlike other embassy personnel in Washington, the Russians do not entrust their children to outsiders. Their offspring are entirely educated by them. But, while the Russians rarely open the electronically operated gates of their compound, they did for the Janney fifth and sixth graders who took part in the program. The exchange gave a number of over-exposed, media-wise American children an insider's view of what it was like to be a Soviet child.

view of what it was like to be a Soviet child.

The first two diplomatic visits between the Soviet and American children (both at Janney) revolved around benign, nonideological subjects. "No cloak and dagger questions," the Janney students had been warned. Using old-fashioned pointers as they spoke about their land, the Soviet children (who speak fair to excellent English) talked about Moscow museums, national dishes and the docking of Soviz with Apollo. Soyuz with Apollo.

All people have equal rights, and there is no national or racial discrimination in Russia," said one of the Soviet students.

The American children listened kept their own counsel and were given take-home quizzes prepared by the Soviet school. The best scores would win Janney students prizes from the Russians on the

final day of the exchange.

A certain kind of détente had been achieved. The Soviet and American children had been surreptitiously inspecting each other's foreheads for horns and had not found any. On the playground, in classes, and over each other's prejudices, they dis-

covered that they liked each other, up to a point.

"The Russian people are not different except for their beliefs," said Sharon Henderson.

The Soviet children were virtually indistinguishable from the American children on the playground. Irina Davydov, sixth grade teacher at "The Little Red Schoolhouse" in the Soviet compound, said: "I worry that the wrong children will get back on our bus." But, when singled out for questioning, her pupils were shyer and less forthcoming than the Janney students.

"I was sort of scared when I first came to this country," said a Soviet sixth grader, Mikhail Bori-sov. "Some of the American boys threw rocks and apples at us. They always say, 'Hey, come here.

You want to fight? Gleb Davydov, the 12-year-old son of Irina and Boris Davydov — Boris is the first secretary at the Soviet Embassy — picked up the diplomatic ta-blecloth before it hit the pavement. "But most Americans," he interjected, "are nice."

After a basketball match won by the Janney Jaguars, Soviet honor was restored with a cultural performance. For the fourth visit to Janney, the entire Soviet student body — about 200 children — arrived. Several of the youngest ones wore red buttons bearing a portrait of a chubby-cheeked child — Lenin as a boy. They sat very politely, with their hands in their laps,
The curtain was pulled. Three tiers of Russian

children were lined up on the stage. A blond boy sang, in an achingly pure soprano. Four Soviet girls in closely fitting long pants, T-shirts, scarves and a dash of makeup did a restrained, slightly sensuous aerobics dance to the theme of "The Godfather." Katya Dobrynin, the grandchild of Soviet Ambas-sador Anatoli F. Dobrynin, was in the front row of the dance. A blond, blue-eyed, self-conscious spar-kler, she is said to be the apple of her grandfather's

## Reputation for Secrecy

There are 159 separate diplomatic communities in Washington. But the Russians have always had the strongest reputation for secrecy, inaccessibility and a desire to remain among themselves. Only their highest-ranking officials mix with outsiders regularly. In 1979 the Russians drew the curtain of privacy even closer, erecting a city within a city on several acres of high ground off Wisconsin Avenue.

The Russians may be almost invisible in Washington, but a rough count of the balconies between apartments indicates that they are numerous —and well taken care of. The compound has a full-scale gym, commissary, dining room, theater and swim-

The Russians say they built the compound for security. They say there have been "incidents," which they would rather not discuss. But when it was the Janney children's turn to visit the Soviet school the first time, unaccompanied by their teachers, most of them took one look at the high walls and iron gates and had second thoughts about crossing over into alien territory.

"When I first arrived at the gate, I was scared to death," said a Janney student. Later, when one of the Janney teachers tried to drop off some papers for Irina Davydov, an unseen guard denied, over a loudspeaker, that it was the Soviet compound or that there was a Mrs. Davydov.

#### **Old-Fashioned Discipline**

The Soviet Embassy school is strongly remini-scent of a Catholic parochial school of the 1950s. Discipline is strict. The children stand when reciting, address their teachers formally and are expected to work extremely hard. After the third grade, the children attend school Monday through Saturday. At age 14, all Soviet children are shipped back to the Soviet Union to continue their education.

The children here have so much homework to do that they don't have much time for other things," said the Soviet children's English teacher, Olga Smirnov.

In the school halls, Leonid I. Brezhnev frequently appears in poster form — receiving flowers from a crowd of smiling children, standing shoulder to shoulder with Communist workers. There are no pictures of U.S. presidents hanging in the halls at the Janney school. The only picture there is of Bernard T. Janney, a former superintendent of education in the District of Columbia.

Soviet Embassy children, because of where they are, study English more intensively than their coun-



Morgane Thomas, The Westington Post
American Ursula Helminski (left) with her Russian student friend Olga Makarova, 13.

terparts in the Soviet Union. They study English grammar more than English or American writers. Fairy tales and Russian writers in translation, or ideological fables about heroic communist children in adverse circumstances, are preferred.

#### **Grand Finale**

The finale of the exchange took place in the Soviet school's massive auditorium. Across the top of a red curtain was emblazoned: "Forward to the Victory of Communism." The Janney test papers were on the podium. Some of the answers had been far from the mark — one suggested that the longest border between the Soviet Union and another country was with Finland, another that the Russian national dish is Swiss cheese. The headmaster, Edward Nikitin, distributed prizes — dolls, books and calendars — to 12 Janney children. The father of one winner had fled the Ukraine in the 1950s.

Then the Russians showed a movie of the 1980 Olympics in Moscow, which the United States had boycotted to protest the Soviet military intervention in Afghanistan. It was a powerful piece of propaganda. Entire flashcard sections of the stadium turned into shimmering needlepoint pictures of the Kremlin or the Soviet seal, accompanied by the "Ode to Joy" from Beethoven's Ninth.

The exchange was officially over at the end of the movie. But, unofficially, the most poignant exchange had already taken place. When one of the Janney teachers, Ursula Cossel, had toured the Soviet school that morning, she had dropped in on a fourth grade class and admired some paintings. As she left, the Soviet teacher came up to her with a folded piece of paper and said, "The children made something for you

Cossel wept on seeing it. It was a message in

English:
"Hello kids of American school. We are happy to see you. We want to be your friends. We want peace between kids on earth. Our people don't want war, we want peace. We never went to your school, but we will go next year.
"The Students of the 4 Grayd."

One of the children had drawn a picture under the message of a missile that was broken in half, with a flower growing out of the middle.

# LETTER FROM INDIA

Keep a Straight Face

By Tyler Marshall Los Angeles Tones Service NEW DELHI — For the hu-morist Art Buchwald, it was a rare appearance on the front

Buchwald, with tongue in cheek, wrote a column some years back about the supposed overthrow of Mao Tse-tung. An editor for India's largest English-language daily, the Indian Express, took it for a serious news story.

As some recall that incident, all that kept it from stirring up an in-ternational furor was the fact that no one at the Chinese Embassy could translate the column into anything that made sense.
The editor's blunder was not

hard to understand. In India, humor is rare.

The curse of India is its lack of humor," said Shankar Pillai, who published the country's only humor magazine for 28 years before closing it down as a money-loser in 1975

India's political leaders appear to be one of several important factors that serve to suffocate humor. Indian politicians look for insults where there are none, and this stifles humor," said Khuswant Singh, editor of the New Delhi dai-ly Hindustan Times, whose weekly column stands out as a rare example of crisp, lively wit. "They have an inflated sense of their own importance and there is no humor to deflate them."

#### Minister in the Buff

Piliai, who drew many of the political cartoons that appeared in his magazine, recalled that a Cabinet minister was so upset at being depicted in the buff that he appealed to Prime Minister Jawaharlal Nehru to intervene. When Nebru refused, the minister tried bribing Pillai.

The lack of humor is also evident among the educated elite. "Solemnity is very much a part of our intellectual life," said Abu Abraham, a popular free-lance cartoonist. "There is the idea that, if you are funny, people won't take

you seriously."
Manzurul Amin, deputy director
general of India's state-owned television network, estimates that less than one full hour of the 31 hours of programming transmitted from the capital every week could be described as humorous. The govern-ment-owned All India Radio does not even measure its meager comedv fare.

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"The stresses of modern life re quire laughter more than ever, bu dure laughter that the state of series like 'I Love Lucy.

In rural India, and in lower-in come urban areas, an oppressiv-climate and the struggle to exis leave little opportunity to appreci ate the funnier side of life. Amon; the small educated elite, those who dabble in humor usually do so is English, a language many of ther speak fluently, though it is essen tially alien to the culture aroun

"It's hard to be humorous in borrowed language," said Abraham, the cartoonist. "No matte how well you know it, the turn o phrase that creates good wit isn'

#### **Minority Sensitivity**

But humor is also hemmed in b the sensitivities of India's coun-less linguistic, cultural and relig-ious minorities. Even the Sikhs, sc apart from other Indians not onl by their turbans but by a bawd sense of humor, are sensitive to any hint of a slight by outsiders. When a New Delhi newspaper

marked the election last month of India's first Sikh president, Zail Singh, with a drawing of a turban atop the presidential palace's flag pole, it received angry letters labeling the drawing an insult.

Much of the humor that does ex-

ist in India seems to come from the south, especially Kerala, where there is a combination of literacy, keen political awareness and egalitarian tradition. Pillai, Abraham and other prominent political car-toonists come from Kerala. There are some hopeful signs

that laughter might eventually have a future elsewhere as well. The film critic Amita Malik noted recently that Bombay's prolific motion picture industry has in recent years experimented successfully with bedroom comedies. Pillai, who now devotes himself

to working with young people, noted that Walt Disney comic books are by far the most popula r reading in the children's library her runs in New Delhi. "Humor is like everything else we're exposed to from the West,"

he said. The coming generations will eventually demand it."

William Safire's language column will resume next Monday.

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